ROCKFORD PUBLIC SCHOOLS

Optional

Exit Package Checklist

1. ___ Exit Interview Questionnaire
2. ___ Exit Interview Clearance Form
3. ___ 403(b) Distribution Request Form
4. ___ IMRF Distribution Request Form (non certified employees)

I have received and completed, as necessary, the above forms:

________________________________________________________________________
Exiting Employee Name (Print)          Date

________________________________________________________________________
(Signature)

________________________________________________________________________
Name of Supervisor          Date

________________________________________________________________________
Supervisor Signature

06/07/2011
ROCKFORD PUBLIC SCHOOLS

Optional

Exit Interview Questionnaire

Employee Name: ____________________________  SS#: ____________________________
Job Title: ________________________________  Department: ________________________
Name of Supervisor: ______________________  Resignation Date: _________________

Reason for Leaving the District

1. The Job/Department/District
   What did you like most and least about your job? Your department? The District?
   __________________________________________
   __________________________________________
   __________________________________________

2. Supervision
   Was the supervision you received satisfactory? If not, please explain.
   __________________________________________
   __________________________________________
   __________________________________________

3. Communications
   Were you informed of changes in District policies, practices, and other employee activities? If not, how could communication have been improved?
   __________________________________________
   __________________________________________
   __________________________________________

4. Wage and Salary Program
   Was your wage or salary satisfactory for the work you were performing? If not, please explain.
   __________________________________________
   __________________________________________
   __________________________________________

06/07/2011
5. Training and Promotional Opportunity

Was your training sufficient to enable you to do your job satisfactorily? Were you afforded the opportunity to train for job advancement? If not, please explain.

6. Working Conditions

Were the working conditions and services, such as equipment, ventilation, lighting, restrooms, eating facilities, and transportation, satisfactory? If not, please explain.

7. Benefits

Based on your position, you may have been eligible for varying levels of benefits offered by the District (Medical insurance, Dental insurance, Group Term Life insurance, Disability insurance, Flexible Spending Account, 403(b), Vacation, etc.) Did you consider these benefits satisfactory? If not, please indicate areas for improvement.

8. What factors contributed most to your decision to leave the District?

9. Are there any issues that Human Resources or the executive staff should be aware of?

10. Do you have any suggestions on how Human Resources can better serve the District and its employees?

06/07/2011
11. What are your plans after leaving the District?

________________________________________________________________________

________________________________________________________________________

12. Would you recommend the District to a friend looking for employment? If not, please explain.

YES   _____   NO   _____

________________________________________________________________________

________________________________________________________________________

Additional comments:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Employee Name (Print)  Date

__________________________________________  ________________

Employee Signature

Thank you for completing the questionnaire. Your input is appreciated.

06/07/2011
ROCKFORD PUBLIC SCHOOLS

Optional

Exit Interview Clearance Form

This form will be used whenever an employee resigns, retires or is terminated from the District. The completed form will become a part of the employee's personnel file.

Employee Name: ___________________________  SS#: ___________________________

Job Title: ___________________________  Department: ___________________________

Name of Supervisor: ___________________________  Resignation Date: __________

Retirement Date: __________  Termination Date: __________

Paid Through: ___________________________  Last Day Worked: __________

Are your home address and phone number on file correct? YES ___  NO ___

If not, please provide the District with your correct address:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

OFFICIAL/VOLUNTARY SEPARATION REASON:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Your unused accrued vacation will be paid on your next paycheck, if applicable.

☐ Unused Accrued Vacation will be paid: (Indicate # of Hours and Dollar Amount) ____________ Hours

$ ____________

06/07/2011
**TSA Consulting Group, Inc.**

**Transaction Routing Request**

Instructions: This form MUST accompany any contract exchange, rollover, distribution or loan request paperwork provided by your 403(b)/457(b) Investment Provider or representative.

<table>
<thead>
<tr>
<th>Current Plan Sponsor</th>
<th>Former Plan Sponsor</th>
<th>Plan Sponsor Name (Employer - Plan name where both forms were submitted - if forms were submitted to different employers)</th>
<th>Termination Date</th>
<th>Retired</th>
<th>Not Retired</th>
</tr>
</thead>
</table>

**Employee Information**

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Employee Mailing Address</th>
<th>Employee SSN</th>
<th>Date of Birth</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>City, State, and Zip</th>
<th>Employee Phone Number</th>
<th>Employee Email Address</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Agent Name</th>
<th>Agent Phone</th>
<th>Agent Email Address</th>
</tr>
</thead>
</table>

**Distribution Type**

- Financial Hardship Withdrawal
- Required Minimum Distribution
- Cash Distribution
- 457(b) Unfunded Emergency Distribution
- Return of Excess Contribution

**Receiving Company Account Type**

- IRA
- 410(k)
- Other

**Receiving Company**

From (Provider)

To (Provider)

**Loan Only**

- I am requesting a loan from my 403(b)/403(b)/403(b) account with

  **Company Name**

Certification (required): The following information is true and correct to the best of my knowledge:

- Do you have any loans outstanding from any plan(s) sponsored by Plan Sponsor? YES[ ] NO[ ]
  - If YES, provide name of provider for each outstanding loan Provider Names:

- Do you have a loan from any plan(s) sponsored by your Plan Sponsor that is currently in default? YES[ ] NO[ ]

**Amount approved may be less than amount requested according to Internal Revenue Service guidelines.**

**LOANS ONLY: Signature of Participant**

<table>
<thead>
<tr>
<th>Loan Source</th>
<th>Date</th>
</tr>
</thead>
</table>

**TSAGC should I mail or fax (select one option only)* this form and all other paperwork associated with this transaction to the following Investment Provider or Agency:**

**Address:**

**City:**

**State:**

**Zip:**

**Fax Number:**

*If you select more than one option, the default return method will be based on how the information was originally submitted to TSAGC.*

**Important Note to Participant**

Please retain a copy of this form as well as a copy of all original documents submitted for your records. All documents received by TSAGC for the requested transaction will be forwarded to the Investment Provider listed above. If no selection is made, all documents will be forwarded to the appropriate Investment Provider company.

**NOTICE:** Documents will not be returned to the participant.

By submitting this form, I understand and acknowledge that my employer allows transactions specific to the Plan Document and Adoption Agreement that established the 403(b) and 457(b) Plan, and that I must complete all forms submitted to TSA Consulting Group, Inc. (TSAGC), my employer's Plan Administrator, and that I must understand that the value of my account is based on market performance and that market fluctuations may result in a value variance during the time my request is being processed by TSAGC and my investment provider. These may be tax consequences for the requested transaction. Please see your tax advisor for further details. TSAGC understands that your personal information and privacy are important, and we make every effort to ensure that the information you submit for a transaction is recorded accurately, retained securely, and used only in accordance with the purpose intended. Please note that relevant information about your transaction may be shared with, and between, employers, 403(b)/403(b)/403(b) investment providers, and TSAGC.

Fax or Mail Completed Form and All Accompanying Documents To:

**TSA Consulting Group, Inc.**

28 Ferry Rd., SE

Fort Walton Beach, FL 32548

Phone: 1-888-795-3785

Email: recordkeeping@tsagc.com

Page 1 of 2
403(b) Transaction Processing
All transactions require a Transaction Routing Request (TRR) form. The TRR form provides important information regarding your request and is vital to ensuring proper processing.

Distributions
Distribution transactions may include any of the following: loan, contract exchange, rollover, hardship withdrawal or cash distributions. Each investment product provider requires their own form to be submitted. You may request distributions by completing the necessary forms obtained from your investment product provider; other necessary documentation as indicated below and submitting all completed documents to TSACG for processing.

<table>
<thead>
<tr>
<th>Transaction Requested</th>
<th>Forms needed for Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Exchanges, incoming and outgoing</td>
<td>Submit complete investment provider paperwork for transaction and the following forms:</td>
</tr>
<tr>
<td></td>
<td>&quot;Completed Transaction Routing Request form (Including Box B)&quot;</td>
</tr>
<tr>
<td>403(b) Hardship Withdrawals</td>
<td>Submit complete investment provider paperwork for transaction and the following forms and/or documentation:</td>
</tr>
<tr>
<td></td>
<td>&quot;Completed Transaction Routing Request form&quot;</td>
</tr>
<tr>
<td></td>
<td>&quot;Completed Hardship Withdrawal Disclosure form&quot;</td>
</tr>
<tr>
<td></td>
<td>&quot;Evidence of expenses equal or more than amount requesting&quot;</td>
</tr>
<tr>
<td></td>
<td>Please verify that you have completed Box A on the form if you are submitting a transaction for a Financial Hardship Withdrawal.</td>
</tr>
<tr>
<td></td>
<td>Please note that evidence of expenses MUST be provided for approval of request.</td>
</tr>
<tr>
<td>457(b) Unforeseen Emergency Withdrawals</td>
<td>Submit complete investment provider paperwork for transaction and the following forms and/or documentation:</td>
</tr>
<tr>
<td></td>
<td>&quot;Completed Transaction Routing Request form&quot;</td>
</tr>
<tr>
<td></td>
<td>&quot;Completed 457 Unforeseen Emergency Disclosure form&quot;</td>
</tr>
<tr>
<td></td>
<td>&quot;Evidence of expenses equal or more than amount requesting&quot;</td>
</tr>
<tr>
<td></td>
<td>Please verify that you have completed Box A on the form if you are submitting a transaction for a 457(b) Unforeseen Emergency Withdrawal.</td>
</tr>
<tr>
<td></td>
<td>Please note that evidence of expenses MUST be provided for approval of request.</td>
</tr>
<tr>
<td>403(b) and 457(b) Loan Withdrawals**</td>
<td>Submit complete investment provider paperwork for transaction and the following form:</td>
</tr>
<tr>
<td></td>
<td>&quot;Completed Transaction Routing Request form (Including Box C)&quot;</td>
</tr>
<tr>
<td></td>
<td>**Amount approved may be less than amount requested according to Internal Revenue Service guidelines.</td>
</tr>
<tr>
<td>Rollovers and/or 403(b) and 457(b) Cash Withdrawal (due to qualifying event only)</td>
<td>Submit complete investment provider paperwork for transaction and the following form:</td>
</tr>
<tr>
<td></td>
<td>&quot;Completed Transaction Routing Request form (Including Box A)&quot;</td>
</tr>
</tbody>
</table>

Important: If your rollover or withdrawal request is due to the qualifying event of separation from service your termination date must be verified by your employer.

Contract Exchanges
As of January 1, 2009, participants may only exchange their accounts among the authorized providers in the employer's 403(b) Plan.

After verifying that the selected new provider is a current authorized provider, you must complete any forms required by the provider (usually supplied by the new investment provider), as well as a TRR form. All completed forms should be submitted to TSACG for processing.

403(b) Optional Retirement Plan An optional defined contribution plan available to specific state employees in lieu of the standard state retirement plan.

Return Method
Participants should submit to TSACG all investment provider paperwork and the TSACG TRR form. All paperwork, upon approval, will be mailed or faxed as directed on the TRR.

Submission of Transaction Requests
All transaction requests should be submitted to TSACG for processing via fax or mail:
TSACG Consulting Group, Inc., Attn: Participant Transaction Department, 28 Ferry Rd, SC, Fort Walton Beach, FL 32548
Fax: 1-866-741-0645, Email: recordkeeping@tsacg.com

TSACG wants to assist you in the most efficient manner possible. Carefully reviewing all documentation, verifying that you have signed all necessary forms, and verifying that you have included any necessary evidence will help us to reach this goal and avoid delays that are caused by incomplete documentation. Our customer service representatives are available to help you at 1-888-798-3786 or crmcrmҀ@tsacg.com.
APPLICATION FOR SEPARATION REFUND
IMRF Form 5.10 (Rev. 01/2010)

SEPARATION REFUNDS

- This application is for a total refund of your IMRF member contributions. You should file this form only if you are not working for any IMRF employer in any position.

- By accepting a refund, you forfeit your right to all IMRF benefits including a future IMRF pension. However, you can reinstate forfeited pension credits by repaying the refund with interest. To be eligible to repay the refund, you must return to work for at least two years under IMRF or one of the other Reciprocal Act public pension systems in Illinois. If you participate in IMRF's SLEP plan, you can repay the refund after you have completed 1,000 hours of contributing IMRF service under SLEP.

- To receive your refund, your signature must be notarized. Also, the notary must include his or her stamp ("Official Seal") where indicated. If the notary stamp is missing, IMRF will not mail you your refund.

- You are NOT eligible for a refund if:
  - you change from participation with one IMRF employer to participation with another IMRF employer. If you continue IMRF participation with another employer, IMRF combines your contributions and pension credits in your IMRF account and will base any benefit payment on the total.
  - you stop participating in IMRF but continue working for your employer. For example, you work for a school district as a teacher's aide and accept a certificated teaching position with the same school district. Or, you work for a city as a dispatcher and accept a position as a police officer or firefighter with the same city.
  - you are age 55 or older (age 50 for SLEP) and your service qualifies you for a monthly pension of $30 or more. Exception: you can receive a refund only if you will roll it over into another defined benefit plan to purchase qualifying service credit.

INSTRUCTIONS FOR COMPLETING THIS FORM

Section 1 — Member Information
Enter the requested information.

Section 2 — Certification
Payments directly to you
If you are having your entire refund paid directly to you, check the box for "Roll over nothing." Because the refund will be paid directly to you, federal law requires IMRF to withhold 20% of the taxable portion of your refund. The 20% withholding is not required if you directly roll over the taxable portion directly to an IRA or some other qualified retirement plan. (See next paragraph.)

Direct Rollovers
If you are having all of your refund directly rolled over to an Individual Retirement account or other eligible plan, check the box "Roll over entire taxable amount." If you are having part of your refund rolled over, indicate EITHER a percentage OR dollar amount in the space provided. The refund will be mailed to you, but the check will be made payable to the custodian of your account or plan. If you indicate anything less than the full amount of your refund, the balance — less the 20% withholding on the taxable portion — will be distributed directly to you.

Notarization
IMRF requires all refund applications to be notarized. Under Illinois law, a notary must include his or her stamp. Therefore, in addition to witnessing your signature, the notary must include his or her stamp ("Official Seal") in the space indicated. If the seal is missing, the notarization is not complete and you will not receive your refund.

Section 3 — Rollover account information (This section required for direct rollovers only)
Take this form to your financial institution or the custodian of your account or plan and have its representative complete Section 3. If you wish, you may instead attach a completed rollover request form from your financial institution.
ADDITIONAL TAX INFORMATION

- The taxable amount of most refunds will be subject to federal income tax and a 10% additional tax. The additional tax does not apply if you:
  a) roll over your refund directly to an IRA or other qualified retirement plan; 401(a), 401(k), 457, or 403(a) or 403(b).
  b) are age 59-1/2 or older when you take your refund;
  c) are age 55 or older (50 or older if you are a police officer, firefighter or emergency medical personnel) in the year you terminate employment with your IMRF employer; or
  d) roll over the taxable portion of your refund to an IRA or other qualified retirement plan within 60 days of receipt of the refund. Please note: You must also add the 20% withheld by IMRF to this rollover or pay the 10% additional tax on that withheld amount.

- For most IMRF members, contributions made before July 1, 1984, were already taxed ("previously taxed," see column at right). When received as a refund, they are not subject to federal income tax.

- Contributions made after June 30, 1984, were not taxed and are subject to federal income tax when received as a refund.

- All member contributions received as a refund are not subject to Illinois income tax.

- Each January, IMRF issues tax statements for payments made the previous year. We will send your tax statement to the address shown on this form. If you change your mailing address, you should notify IMRF in writing of the change.

- Effective 1/1/2006, members may also elect to roll over their refund into a Roth IRA account. This rollover is treated as if you rolled your IMRF refund into a Traditional IRA account and then converted the IRA to a Roth IRA. To be eligible, you must have a modified adjusted gross income (MAGI) on your tax return of $100,000 or less.

A rollover to a Roth IRA is taxable in the year of the rollover. The amount rolled over does not maintain the tax-deferred status of your IMRF contributions. The amounts rolled over to a Roth IRA account will not be subject to the 10% additional tax (where applicable).

If you are considering a rollover to a Roth IRA account, we strongly suggest you review your choice with your tax advisor to ensure you have the correct withholding or estimated tax payments during the year to cover your tax liability.

- This distribution must be reported on your tax return even if a portion or all of it is rolled over to another qualified plan or IRA.

PREVIOUSLY TAXED CONTRIBUTIONS

- Generally, member contributions since 1984 have been "tax-deferred" (the money used to pay those contributions has not been subject to federal income tax). However, some members have "previously taxed" contributions (also known as "after-tax contributions" — the money used to pay those contributions had already been subject to federal income tax). Contributions made prior to 1984 or funds used to purchase past service are often previously taxed. If your IMRF account contains previously taxed contributions, they are shown separately on your IMRF Member Statement of Account.

- When you are refunded previously taxed contributions, those contributions are not taxable to you, and they are not subject to any income tax withholding. While most members choose to have these amounts refunded directly to them, tax laws allow you to roll over your previously taxed contributions into an IRA or a qualified employer retirement plan.

- If your IMRF member account contains previously taxed contributions and you wish to roll over those contributions into an IRA or a qualified employer retirement plan, please request IMRF Form 5.108, "Previously Taxed Rollover Request." Complete the form and return it to IMRF along with this form. Form 5.108 is available at IMRF Online (www.imrf.org) or you can call 1-800-ASK-IMRF (1-800-275-4673), Monday through Friday, from 7:30 a.m. to 5:30 p.m. to request it.
APPLICATION FOR SEPARATION REFUND
IMRF Form 5.10 (Rev. 01/10) PLEASE PRINT OR TYPE

SECTION 1 — MEMBER INFORMATION
MEMBER'S FIRST NAME: [REMOVED] INITIAL LAST JR SR II LIII SOCIAL SECURITY NUMBER

STREET ADDRESS: [REMOVED] CITY: [REMOVED] COUNTY:

STATE AND ZIP (LAST KNOWN): [REMOVED] DATE OF BIRTH:

DATE OF LAST EMPLOYMENT: [REMOVED] DAYTIME TELEPHONE NO:

SAME OCCUPATION AS A PUBLIC SAFETY EMPLOYEE: [REMOVED]

(Not Special Termination)

SECTION 2 — CERTIFICATION
In order for IMRF to process your refund, you must choose one of the following. I direct IMRF to:

1. Roll over nothing and make the entire distribution payable to me, less the 20% withholding.

2. Roll over entire taxable amount and make payable to the IRA, 401k, or eligible retirement plan as named below.

3. Roll over [percentage or dollar amount] of the taxable amount.
(Enter either a percentage or a dollar amount. The percentage or dollar amount indicated will be rolled over to the IRA, 401k, or eligible retirement plan named below.)

I certify that I no longer work for any IMRF employer in any capacity. I further certify that the account named below is an individual retirement plan or an eligible employer plan, and is eligible to receive this rollover distribution. I hereby waive my right to 30 days prior notice of the tax consequences of this distribution and demand immediate payment.

Note: IMRF is required by federal law to withhold 20% of the taxable portion of your refund not directly rolled over to an IRA or other qualified retirement plan. This withholding requirement is limited to the taxable portion of your refund. Any portion that was previously taxed will be paid directly to you without withholding.

Member Signature (write; do not print or type)

I acknowledge if I accept this refund, I am giving up my IMRF pension (if any) as well as any IMRF disability or death benefits.

Date:

NOTARIZATION REQUIRED FOR PROCESSING

Subscribed and sworn to before me, a Notary Public in and for the

County of ______________ State of ______________

Notary Signature ____________________________

AFFIX OFFICIAL SEAL

If seal is missing, the refund will not be paid

SECTION 3 — ACCOUNT INFORMATION (This section required for direct rollovers only.)

Financial organization: These funds are currently in a qualified retirement plan (QRP) under section 401(a) of the IRC. Member will be mailed a check made payable to the financial institution named below.

NAME OF "ANNuity" ORGANIZATION (Check is to be made payable to)

ACCOUNT IS (SELECT ONE):

☐ TRADITIONAL IRA

☐ ROTH IRA

☐ PENSION PLAN (not IRC 401)

☐ OTHER

☐ DEFEASIBLE COINVESTMENT PLAN (IRC 403b)

ELEC-POD (no. 23456) 09/01/2008

Illinois Municipal Retirement Fund
Suite 500, 2211 York Road Oak Brook, IL 60523-2337
Member Services Representatives 1-800-ASK-IMRF (1-800-275-4673) www.imrf.org
IMRF COPY
SECTION 1 — MEMBER INFORMATION

[Member's First Name] [Middle Initial] [Last Name] [Jr., Sr., II, etc.] [Social Security Number]

Home Address: [Address]

City: [City]

County: [County]

State and Zip: [State] [Zip]

Date of Birth: [Date]

Daytime Telephone No.: [Number]

Name of Last Employer: [Name]

Last Day of Employment With Your IMRF Employer: [Date]

Was as a Public Safety Employee: [Yes/No]

Is a Social Security Beneficiary: [Yes/No]

SECTION 2 — CERTIFICATION

In order for IMRF to process your refund, you must choose one of the following. I direct IMRF to:

- Roll over nothing and make the entire distribution payable to me, less the 20% withholding.
- Roll over entire taxable amount and make payable to the IRA, 401k, or eligible retirement plan as named below.
- Roll over [Amount]% or $ [Amount] of the taxable amount.

I certify that I no longer work for any IMRF employer in any capacity. I further certify that the account named below is an individual retirement plan or an eligible employer plan, and is eligible to receive this rollover distribution. I hereby waive my right to 30 days prior notice of the tax consequences of this distribution and demand immediate payment.

Member Signature (Write: do not print or type): [Signature]

Date: [Date]

Note: IMRF is required to withhold 20% of the taxable portion of your refund not directly rolled over to an IRA, or other qualified retirement plan. This withholding requirement is limited to the taxable portion of your refund. Any portion that was previously taxed will be paid directly to you without withholding.

Notarization Required for Processing

Subscribed and sworn to before me, a Notary Public in and for the County of [County] State of [State]

Notary Signature: [Signature]

AFFIX OFFICIAL SEAL

SECTION 3 — ACCOUNT INFORMATION (This section required for direct rollovers only)

Financial organization: These funds are currently in a qualified retirement plan (QRP) under section 401(e) of the IRC. Member will be mailed a check made payable to the financial institution named below.

Name of Financial Organization: [Name]

Account #: [Account]

Deposit Account Number (optional): [Number]

Telephone Number: [Number]

Other Information: [Information]

IMRF Municipal Retirement Fund
Suite 500 2211 York Road Oak Brook, IL 60523-2337
Member Services Representatives 1-800-ASK-IMRF (1-800-275-4673) www.imrf.org

MEMBER COPY
YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from IMRF (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. Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59 1/2 and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies).

If you do a rollover to a traditional IRA or an eligible employer plan, you will not have to pay tax until you receive payments later from the IRA or plan, and the 10% additional income tax will not apply if those payments are made after you are age 59 1/2 (or if an exception applies).

If you do a rollover to a Roth IRA, you will be taxed on the amount rolled over (reduced by any after-tax amount) and the 10% additional income tax will not apply. See the section on the following page titled "If you roll over your payment to a Roth IRA" for more details.

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan [a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan] that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment of the rolled over amount in the future. Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

(1) If you do a direct rollover, the Plan will make the payment directly to your IRA or employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

(2) If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. You may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. 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 59 1/2 (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70 1/2 (or after death)

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover. If I do not do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59 1/2, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

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

- Payments made after you separate from service if you will be at least age 55 in the year of separation.
- Payments that start after you separate from service if paid at least annually in equal or 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 separation.
- Payments made due to disability.
- Payments made after your death.
- 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.

If I do roll over 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 59 1/2, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies in general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation...
agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse.

- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for:
  
  (1) payments for qualified higher-education expenses,

  (2) payments up to $10,000 used in a qualified first-time home purchase, and

  (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe State income taxes? This notice does not describe any State or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals $12,000, of which $2,000 is after-tax contributions. In this case, if you roll over $10,000 to an IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being after-tax contributions.

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

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, "Individual Retirement Arrangements (IRAs)."

If you were born on or before January 1, 1936

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

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

If the Plan is a governmental plan, you retired as a public safety officer and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents. The exclusion is up to a maximum of $3,000 annually.

For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you roll over your payment to a Roth IRA

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than $100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2008, you can do a rollover to a traditional IRA and then, after 2008, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment to a Roth IRA, a special rule applies where the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA 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 59 1/2 (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

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

For more information, see IRS Publication 590, “Individual Retirement Arrangements (IRAs).” You should consult your tax advisor if you are interested in rolling over your distribution to a Roth IRA.

IF YOU ARE NOT A PLAN PARTICIPANT

Payments made after the death of the participant
If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section, “If you were born on or before January 1, 1936” applies only if the participant was born on or before January 1, 1936.

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

An IRA you treat as your own is treated like any other IRA of yours so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

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

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

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

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

Other special rules
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."

NOTICE PERIOD

Generally, payment cannot be made from the Plan until at least 30 days after you receive this notice. Thus, you have at least 30 days to consider whether or not to have your payment rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether or not you wish to make a direct rollover. Your payment will then be processed in accordance with your election as soon as practical after it is received by the Plan administrator.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or your employer, 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 560, "Individual Retirement Arrangements (IRAs)"; and IRS Publication 721, "Tax-Sheltered Annuity Plans (403(b) Plans)." These publications are available from a local IRS office, online at www.irs.gov, or by calling 1-800-TAX-FORM.