MUTUAL OF AMERICA mutualofamerica.com	**Distribution Request** (for Group Annuity Plans Only)

Plan Sponsor's Name	Employer Number	**Internal Use Only** Claim Number ____________________
	Plan Type	Valid Transaction Date / /

Participant Information

Participant's Name		Customer Identification #
Mailing Address	If your address has changed, please provide your new address here	
Email Address		Day Telephone Number ( )

Please provide an email address to communicate any issues identified with this withdrawal request. The email address you provide will not update our records. Review the Mailing Instructions section below regarding submitting this withdrawal request to us.

Before Proceeding!

Do not complete this form if your plan is subject to a Spousal Consent requirement. Please consult with your Plan Administrator or local service representative to determine if your plan is subject to Spousal Consent.

If your plan is subject to Spousal Consent, you must complete form 7126 *Withdrawal and Rollover Requests (for Group Annuity Retirement Plans Only)*.

Please read the *Special Tax Notice Regarding Plan Payments* below. **If you did not receive this, do not proceed with completing this form.** Contact a Mutual of America representative. Federal tax law generally provides that you must be given at least 30 days to consider this notice before a distribution can be made. You may waive the waiting period by submitting this form.

You have the right to defer receipt of distributions under the plan but not beyond April 1 of the calendar year following the calendar year in which you become age 72. However, if you continue to be employed with the employer that maintains the plan beyond that date, you can defer receipt of your plan benefits beyond age 72 until you stop working for that employer.

If you defer receipt of your distribution, the amounts in your account under the plan will continue to be invested in your current choices of investment alternatives. You will also continue to have the same right to transfer amounts in your account as you had before you deferred your distribution, unless in the future the plan is amended, terminated or the plan administrator imposes a short, temporary restriction on your transfer rights, called a “blackout period.” If the participant investment rights are amended, the plan is terminated, or the plan administrator imposes a blackout period, you will be notified.

Your right to defer distributions, information about investment alternatives, and your right to transfer amounts in your participants account among the available investment alternatives are described in the Summary Plan Description (SPD) for the plan. You can obtain a copy of the SPD without charge from your employer or former employer.

The investment alternatives and all fees and expenses of each are described in detail in the applicable prospectus and/or Qualified Plan Brochure, which is provided each year to plan participants without charge. Please contact a Mutual of America representative if you want updated copies of these documents.

Distribution Election

Please select one distribution election:

- ☐ **I am electing a TAXABLE partial or total distribution to be paid directly to me (complete Part I or II).**
- ☐ **I am electing a partial or total rollover to Mutual of America (complete Part III).**
- ☐ **I am electing a partial or total rollover to another Financial Institution (complete Part IV).**

Note that a partial withdrawal or rollover is not available for the following plan types: FLAP, 401(a) DC, 414H, DC or CDA

Part I – Total Distribution *(check all that apply and proceed to Loan Instructions)*

I Elect:

- ☐ a Withdrawal of my **entire account balance** to be paid to me.
- ☐ a Withdrawal of my entire **Traditional**** account balance to be paid to me.
- ☐ a Withdrawal of my entire **Rollover** account balance to be paid to me.
- ☐ a Withdrawal of my entire **Designated Roth***** account balance to be paid to me.
- ☐ a Withdrawal of my entire **Designated Roth Rollover** account balance to be paid to me.

Part II – Partial Distribution *(check all that apply and proceed to the Investment Funds section on page 3)*

If your plan type is FLAP, 401(a) DC, 414H, DC or CDA and you select any of the options in this section, we will process a total withdrawal of your entire account balance.

I Elect:

- ☐ a Partial Withdrawal of $________________ available from my **Traditional** account balance**, or if less, my total balance in each account or fund listed below.
- ☐ a Partial Withdrawal of $________________ available from my **Rollover account balance**, or if less, my total balance in each account or fund listed below.
- ☐ a Partial Withdrawal of $________________ available from my **Designated Roth*** account balance**, or if less, my total available balance in each account or fund listed below.
- ☐ a Partial Withdrawal of $________________ from my **Designated Roth Rollover account balance**, or if less, my total available balance in each account or fund listed below.

Part III – Rollover to Mutual of America *(for a partial rollover you must complete the Investment Funds section on page 3)*

If your plan type is FLAP, 401(a) DC, 414H, DC or CDA and you elect a partial rollover, we will process a rollover of your entire account balance. Unless otherwise directed by you, distributions directly rolled over to a Mutual of America plan will be allocated according to the allocation election of future contributions in the receiving plan as of the date of the rollover.

I Elect:

- ☐ a PARTIAL Rollover of $________________ from my **Traditional** account balance**, or if less, my total available balance in each fund or account listed below, to Mutual of America Plan #________________ Plan Type_______.
- ☐ a Rollover of my entire **Traditional** account balance** to Mutual of America Plan #_______________ Plan Type_______.
  Pay me $__________________ or ________% in the funds listed below and rollover the remaining balance as elected.
- ☐ a Rollover of my entire **Designated Roth*** account balance** to Mutual of America Plan #_____________Plan Type ______.
  Pay me $ __________________ or ________% in the funds listed below and rollover the remaining balance as elected.

Note: Any after-tax employee contributions will be paid directly to you.

Part IV – Rollover to Another Financial Institution *(for a partial rollover you must complete the Investment Funds section on page 3)*

If your plan type is FLAP, 401(a) DC, 414H, DC or CDA and you elect a partial rollover, we will process a rollover of your entire account balance. The distribution can be directly rolled over only to one destination and only if the amount is $200 or greater.

I Elect:

- ☐ a PARTIAL Rollover of $_____________ from my **Traditional** account balance**, or if less, my total available balance in each fund or account to ____________________ (Name of Receiving Institution) _________ (Type of Plan) _____________ (Account Number). Checks should be payable to ____________________ (Payee)
  at the following address:____.
  ☐ Include any after-tax employee contributions in the rollover (I have verified that the recipient plan can accept after-tax accumulations). Note: If this box is unchecked, any after-tax employee contributions will be paid directly to you.
- ☐ a Rollover of my entire **Traditional** account balance** to __________________ (Name of Receiving Institution) _________ (Type of Plan) ____________ (Account Number). Checks should be payable to __________________________ (Payee) at the following address:____.
  ☐ Include any after-tax employee contributions in the rollover (I have verified that the recipient plan can accept after-tax accumulations). Note: If this box is unchecked, any after-tax employee contributions will be paid directly to you.
  Pay me $_________________ or _______% in the funds listed below and rollover the remaining balance as elected.
- ☐ a Rollover of my entire **Designated Roth*** account balance** to __________________ (Name of Receiving Institution) ________ (Type of Plan) ____________ (Account Type).
  Checks should be payable to _________________________ (Payee) at the following address:______________________________.
  (I have verified that the recipient plan can accept Designated Roth Contributions.) Pay me $_______________ or _____% in the funds listed below and rollover the remaining balance as elected.

**Traditional account balance includes any Traditional Rollover balances.

***Designated Roth account balance includes any Designated Roth Rollover balances.

Distribution Election Continued (Investment Funds Selection)

Complete this section only if you are making a Partial Withdrawal or Rollover and then proceed to Loan Instructions.

Please pay me the amount shown below from each account or fund I am currently using:

Traditional Dollars	Mutual of America Interest Account	Roth Dollars
$	Interest Accumulation Account	$

Traditional Dollars	Mutual of America Investment Corporation Investment Funds	Roth Dollars
$	Equity Index Fund	$
$	All America Fund	$
$	Small Cap Value Fund	$
$	Small Cap Growth Fund	$
$	Small Cap Equity Index Fund	$
$	Mid-Cap Value Fund	$
$	Mid-Cap Equity Index Fund	$
$	Composite Fund	$
$	International Fund	$
$	Money Market Fund	$
$	Mid-Term Bond Fund	$
$	Bond Fund	$
$	Retirement Income Fund	$
$	2015 Retirement Fund	$
$	2020 Retirement Fund	$
$	2025 Retirement Fund	$
$	2030 Retirement Fund	$
$	2035 Retirement Fund	$
$	2040 Retirement Fund	$
$	2045 Retirement Fund	$
$	2050 Retirement Fund	$
$	2055 Retirement Fund	$
$	2060 Retirement Fund	$
$	2065 Retirement Fund	$
$	Conservative Allocation Fund	$
$	Moderate Allocation Fund	$
$	Aggressive Allocation Fund	$

Traditional Dollars	Other Investment Funds	Roth Dollars
	Fidelity® Investments	
$	VIP Equity-Income Portfolio	$
$	VIP Asset Manager Portfolio	$
$	VIP Contrafund® Portfolio	$
$	VIP Mid Cap Portfolio	$
	Vanguard	
$	VIF Diversified Value Portfolio	$
$	VIF International Portfolio	$
$	VIF Real Estate Index Portfolio	$
$	VIF Total Bond Market Index Portfolio	$
	Goldman Sachs	
$	VIT US Equity Insights Fund	$
$	VIT Small Cap Equity Insights Fund	$
	American Century Investments®	
$	VP Capital Appreciation Fund	$
	American Funds	
$	Insurance Series® New World Fund®	$
	Calvert	
$	VP SRI Balanced Portfolio	$
	Delaware	
$	VIP® Small Cap Value Series	$
	DWS	
$	Capital Growth VIP	$
	Invesco	
$	V.I. Main Street Fund®	$
	MFS®	
$	VIT III Mid Cap Value Portfolio	$
	Neuberger Berman	
$	AMT Sustainable Equity Portfolio	$
	PIMCO	
$	VIT Real Return Portfolio	$
	T. Rowe Price	
$	Blue Chip Growth Portfolio	$
	Victory	
$	RS Small Cap Growth Equity VIP Series	$

Loan Repayment Instructions

(Check one of the following and complete all other applicable sections of the form.)

☐ I have no loans under the referenced plan. ☐ I have an outstanding loan(s), which should remain active.

☐ I instruct Mutual of America to pay all loans in full with proceeds from my account.

Please note that your loan(s) **will remain active** if you choose one of the following options:

☐ I instruct Mutual of America to pay all loans up-to-date with proceeds from my account.

☐ I instruct Mutual of America to pay the following loan number(s) up-to-date with proceeds from my account:

____________________ ____________________ ____________________

☐ I instruct Mutual of America to pay the following loan number(s) in full with proceeds from my account:

____________________ ____________________ ____________________

Note: *If you do have an outstanding group annuity loan(s) and you do not elect one of the loan options above, your loan(s) will remain active and all funds necessary to secure the loan(s) will be retained in your account. Please see the instructions provided with this form for more information.*

Notice/Election for Participants Age 72 and Older

Complete this section ONLY if you have reached or will reach age 72 before the end of the calendar year.

Minimum distributions under retirement plans are generally subject to federal income tax withholding unless you elect no withholding. This withholding applies even if you elected to have the distributions deposited to your FPA.

If you elect withholding, federal income taxes must be withheld at the rate of at least 10% of the taxable amount. If you do not have enough federal income tax withheld from your distributions, you may be responsible for payment of estimated tax.

Whether or not you elect to have tax withholding, you are liable for payment of income tax on the taxable amount of the payment (even if you elect to have the distribution deposited to your FPA). You may also be subject to tax penalties under the estimated tax payment rules if your estimated tax and withholding, if any, are not adequate.

If you are requesting a rollover, we will first process the payment of your required minimum distribution for this year and then roll the balance to your new plan. Required taxes will be withheld unless you make a different election in the tax withholding section below.

☐ I have already satisfied my minimum distribution requirement for this year from my ____________________ plan
Plan Type

at ____.
Name of Financial Institution

Note: A 403(b) contract owner must calculate the Required Minimum Distribution (RMD) separately for each 403(b) contract that he or she owns but can take the total amount from one or more of the 403(b) contracts.

However, RMDs required from other types of retirement plans, such as 401(a), 401(k) and 457(b) plans, have to be taken separately from each of those plan accounts.

— OR —

In connection with my minimum distribution paid as a result of this form, I elect the following income tax withholding:

FEDERAL: ________ % *(enter a whole number)* OR $ ____________ OR ☐ No federal income tax withholding

STATE: ________ % *(enter a whole number)* OR $ ____________ OR ☐ No state income tax withholding

If you make no election, or the amount selected is less than that required, we will withhold the required amount.

☐ Please deposit my entire minimum distribution into my Mutual of America FPA. I understand that this transaction is a taxable event.

If you do not have an FPA, but would like information on this variable annuity contract, call your local Mutual of America office.

You should consider the investment objectives, risks, and charges and expenses of the variable annuity contract and the underlying investment funds carefully before investing. This and other information is contained in the contract prospectus and underlying funds prospectuses and summary prospectuses, which can be obtained by calling 800.468.3785 or visiting mutualofamerica.com. Read them carefully before investing.

Mutual of America's FPA is an individual variable annuity contract and is suitable for long-term investing, particularly for retirement savings. The value of a variable annuity contract will fluctuate depending on the performance of the Separate Account investment funds you choose. Upon redemption, you could receive more or less than the principal amount invested.

Payment Election

I elect to receive my payment by:

☐ **Check** (Payment by check may be delayed if you have recently requested a change of address.)

☐ **Electronic Funds Transfer (Please complete the section below. There will be no delay in payment even if you recently requested an address change.)**

(This section MUST be completed if you have elected a taxable distribution and want your payment sent directly to your bank account.) A check will be mailed to your home address of record if this section is not completed and/or appropriate documentation is not provided.

Depository (Bank or Credit Union) Information: (Deposits cannot be made into a foreign bank.)

Bank Or Credit Union Name

Bank Routing Number (9 Digit) | | | | | | | | |

Account Number

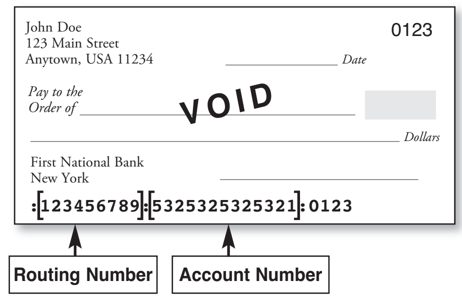
Account Type *(check one)*:

☐ Checking [You must attach a voided, original preprinted check with name(s) of account holder(s).]*

☐ Savings [You must attach an account statement or deposit slip with name(s) of account holder(s) preprinted on the slip.]**

**If you do not have preprinted checks with your account, you must provide a bank document that contains the names of the account holders, the name of the bank, ABA routing number and your account number. Starter checks, deposit slips, direct deposit set-up forms and photocopies of a check will not be accepted.*

***If you do not have your bank statement or preprinted deposit slip, you must provide a bank document that contains the names of the account holders, the name of the bank, ABA routing number and your account number.*



Tax Withholding Election

The distribution you receive from the plan is subject to federal income tax withholding, <u>including conversion rollovers of Traditional Contributions to Roth IRA accounts</u>, unless you have elected a direct rollover of the entire account or your total distribution in a tax year is less than $200. Complete this section only if your distribution is subject to **mandatory** withholding <u>or if you are requesting a conversion rollover and wish to have taxes withheld</u>. Please see the instructions provided with this form for more information.

<u>Complete Part I below for tax withholding on distributions that you have elected to receive. Complete Part II below for voluntary tax withholding on conversion rollovers.</u>

<u>Part I – Tax Withholding Election for Distributions</u>

I have read the Special Tax Notice Regarding Plan Payments. I understand that federal tax law requires that a minimum of 20% must be withheld for federal income tax <u>on the distribution I have elected to receive</u> and I elect the following tax withholding amounts:

FEDERAL: ____________ % *(enter a whole number)* OR $ ______________

Please note that if your state requires income tax withholding in instances where federal income tax is withheld, we will automatically withhold any required amount for state income tax.

STATE: ____________ % *(enter a whole number)* OR $ ______________

Some states require a separate election of either state tax withholding or no state tax withholding. In the event you live in one of these states, please check one of the following boxes to satisfy that election.

I ELECT: ☐ STATE TAX WITHHOLDING ☐ NO STATE TAX WITHHOLDING

If you make no election, or the amount elected is less than required, we will withhold the required minimum.

<u>Part II – Voluntary Tax Withholding Election for Conversion Rollovers</u>

I have read the Special Tax Notice Regarding Plan Payments. I elect the following tax withholding amounts:

FEDERAL: ____________ % *(enter a whole number)* OR $ ______________

Please note that if your state requires income tax withholding in instances where federal income tax is withheld, we will automatically withhold any required amount for state income tax.

STATE: ____________ % *(enter a whole number)* OR $ ______________

Statement and Signature – You Must Sign and Date Below

If I have elected a rollover to another financial institution, I certify that the financial institution into which I am rolling or transferring funds will accept those funds and deposit them into an appropriate retirement plan or individual retirement plan or individual retirement annuity. I understand that Mutual of America will not be responsible for any adverse tax consequences that may occur as a result of how the funds are handled by the receiving financial institution.

As of the date of this form, I hereby release and forever discharge the Plan and Mutual of America from all claims and demands whatsoever with respect to my selection and statements made pursuant to this form.

Residents of New York State: 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.

If you are a resident of any other state, please review the following pages for warnings that apply to your state.

I understand that once this distribution is made and released by Mutual of America, it will not be reinstated to this plan. I direct Mutual of America to make the distribution in accordance with the election on this form. If I am signing this form in a state listed on the next page or in the District of Columbia, I have read the state-specific or District of Columbia-specific fraud notice.

Sign Here

______________________________ Participant's Signature

______________ Date

Mailing Instructions

Once you complete the form, you can either (1) mail the form and any additional documentation to the address shown below or (2) email the form and additional documentation as a PDF file to us at **WPC@mutualofamerica.com** from the email address we have on file for you. We will only be able to process emailed forms that are in PDF format. If you email the form to us using an email address other than the email address we have on file for you, we will reject your email. We do this to safeguard your account and to prevent fraudulent withdrawals from your account.

Mutual of America Financial Group
Withdrawal Processing Center
1150 Broken Sound Parkway NW
Boca Raton, FL 33487-9866

Please read the following notice that we are required to give you by the law of your state.

Alabama: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines, or confinement in prison, or any combination thereof.

Alaska: A person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.

Arizona: For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

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

California: For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state 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 a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

Delaware: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

District of Columbia: 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

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.

Idaho: Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony.

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 a 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.

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.

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

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 NH Rev. Stat. Ann. Subsection 638:20.

New Jersey: Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

New Mexico: 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 civil fines and criminal penalties.

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.

Rhode Island: 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

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.

Texas: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Virginia: 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.

Washington: 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.

West Virginia: 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

DIRECT ROLLOVER TO A TRADITIONAL IRA

An IRA is different from other types of plans. Before you elect to roll over a payment to a traditional IRA, you should review all documents carefully and be aware of all differences between the plans. Listed below is some general information:

- Certain plans have loan provisions. However, no loans are available from any payment deposited into an IRA.
- Generally, there is a 10% federal income tax penalty on IRA withdrawals prior to age 59½. Unlike other types of plans, there is no exemption from this penalty for separation from service after age 55 or withdrawal for medical expenses.
- Amounts accumulated before 1987 in a TDA or 403(b) Thrift account are exempt from minimum distributions until age 75. This exemption does not apply to any amounts in an IRA.
- Lump sum distributions from retirement plans qualified under IRC Sec. 401(a) may be eligible for special tax treatment. This special treatment is not available to any distribution from an IRA, or if any amount is rolled over to an IRA.

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from your Plan that are <u>not</u> from a designated Roth account (a type of account in some employer plans that is subject to special tax rules). If you also receive a payment from a Plan with a designated Roth account, you will be provided a different notice for that payment.

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

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

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, IRAs are not subject to spousal consent rules, and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

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

<u>If you do a direct rollover</u>, your Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

<u>If you do not do a direct rollover</u>, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, Mutual of America is required to withhold 20% of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from your 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 joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions after age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), or after death;
- Hardship distributions;
- Payments of employee stock ownership plan (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 your Plan;

- Payments of certain automatic enrollment contributions that you request to withdraw within 90 days of your first contribution;
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there generally will be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA); and
- Distributions of certain premiums for health and accident insurance.

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

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a public safety employee and you will be at least age 50 in the year of the separation;
- Payments made due to disability;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments of up to $5,000 made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days;
- Payments of certain automatic enrollment contributions that you request to withdraw within 90 days of your first contribution;
- Payments excepted from the additional income tax by federal legislation relating to certain emergencies and disasters; and
- Phased retirement payments made to federal employees.

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

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

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

Additional exceptions apply for payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to $10,000 used in a qualified first-time home purchase; and
- 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 address 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 you receive a partial payment of your total 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 the 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 rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions. In this case, if you directly roll over $10,000 to an IRA that is not a Roth IRA, no amount is taxable because the $2,000 amount not 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.

Similarly, if you do a 60-day rollover to an IRA of only a portion of the payment made to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. 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. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

If you have an outstanding loan that is being offset

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

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

If you were born on or before January 1, 1936

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

If your payment is from a governmental section 457(b) plan

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

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

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

If you roll over your payment to a Roth IRA

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

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 home buyer distribution of up to $10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a

Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

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. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

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 generally will 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 deceased participant was born on or before January 1, 1936.

If you are a surviving spouse. If you receive a payment from this 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 were born before July 1, 1949) or age 72 (if you were born after June 30, 1949).

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½ (if the participant was born before July 1, 1949) or age 72 (if the participant was born after June 30, 1949).

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

If you are a nonresident alien

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

Other special rules

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

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

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

FOR MORE INFORMATION

You may wish to consult with your professional tax adviser before taking a payment from your Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs); IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 800.TAX.FORM.

Special Tax Notice Regarding Plan Payments from Designated Roth Accounts

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving is eligible to be rolled over to a Roth IRA or designated Roth account in an employer plan. This notice is intended to help you decide whether to do a rollover.

This notice describes the rollover rules that apply to payments from your Plan that are from a designated Roth account. If you also receive a payment from your Plan that is not from a designated Roth account, you will be provided a different notice for that payment.

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

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

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

If the payment from your 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 portion of the payment that is earnings. If you are under age 59½, a 10% additional income tax on early distributions (generally, distributions made before age 59½) will also apply to the earnings (unless an exception applies). However, if you do a rollover, you will not have to pay taxes currently on the earnings and you will not have to pay taxes later on payments that are qualified distributions.

If the payment from your 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 your 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 your Plan from a designated Roth account in another employer plan, your participation will count from January 1 of the year your first contribution was made to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the other employer plan.

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

You may roll over the payment to either a Roth IRA (a Roth individual retirement account or Roth individual retirement annuity) or a designated Roth account in an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457 plan) that will accept the rollover. The rules of the Roth IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the Roth IRA or employer plan (for example, Roth IRAs are not subject to spousal consent rules, and Roth IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the Roth IRA or the designated Roth account in the employer plan. In general, these tax rules are similar to those described elsewhere in this notice, but differences include:

- If you do a rollover to a Roth IRA, all of your Roth IRAs will be considered for purposes of determining whether you have satisfied the 5-year rule (counting from January 1 of the year for which your first contribution was made to any of your Roth IRAs).
- If you do a rollover to a Roth IRA, you will not be required to take a distribution from the Roth IRA during your lifetime and you must keep track of the aggregate amount of the after-tax contributions in all of your Roth IRAs (in order to determine your taxable income for later Roth IRA payments that are not qualified distributions).
- Eligible rollover distributions from a Roth IRA can only be rolled over to another Roth IRA.

How do I do a rollover?

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

If you do a direct rollover, Mutual of America will make the payment directly to your Roth IRA or designated Roth account in an employer plan. You should contact the Roth IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

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

If you do a direct rollover of only a portion of the amount paid from your 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, Mutual of America 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 your 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 joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions after age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), or after death;
- Hardship distributions;
- Payments of employee stock ownership plan (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 that you request to withdraw within 90 days of your first contribution;
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there generally will be adverse tax consequences if S corporation stock is held by an IRA); and
- Distributions of certain premiums for health and accident insurance.

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

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

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

The 10% additional income tax does not apply to the following payments from your 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 joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 in the year of the separation;
- Payments made due to disability;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments of up to $5,000 made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days;
- Payments of certain automatic enrollment contributions that you request to withdraw within 90 days of your first contribution; and
- Payments excepted from the additional income tax by federal legislation related to certain emergencies and disasters.

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

If you receive a payment from a Roth IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions on the earnings paid from the Roth IRA, unless an exception applies or the payment is a qualified distribution. In general, the exceptions to the 10% additional income tax for early distributions from a Roth IRA listed above are the same as the exceptions for early distributions from a Plan. However, there are a few differences for payments from a Roth IRA, including:

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

Additional exceptions apply for payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to $10,000 used in a qualified first-time home purchase; and
- 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 address any state or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver, 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 you have an outstanding loan that is being offset

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

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

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

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

If your payment is from a governmental section 457(b) plan

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

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

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

If you are not a Plan participant

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

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

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

If you treat the Roth IRA as an inherited Roth IRA, payments from the Roth IRA will not be subject to the 10% additional income tax on early distributions. An inherited Roth IRA is subject to required minimum distributions. If the participant had started taking required minimum distributions from the Plan, you will have to receive required minimum distributions from the inherited Roth IRA. If the participant had not started taking required minimum distributions, you will not have to start receiving required minimum distributions from the inherited Roth IRA until the year the participant would have been age 70½ (if the participant was born before July 1, 1949) or age 72 (if the participant was born after June 30, 1949).

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

<u>Payments under a QDRO.</u> If you are the spouse or a former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment to your own Roth IRA or to a designated Roth account in an eligible employer plan that will accept it).

If you are a nonresident alien

If you are a nonresident alien, you do not do a direct rollover to a U.S. IRA or U.S. employer plan, and the payment is not a qualified distribution, the Plan is generally required to withhold 30% (instead of withholding 20%) of the earnings 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 do a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year (only including payments from the designated Roth account in the Plan) are less than $200, the Plan is not required to allow you to do a direct rollover and is not required to withhold federal income taxes. However, you 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 on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, Armed Forces' Tax Guide. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

FOR MORE INFORMATION

You may wish to consult with your professional tax adviser, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs); IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 800.TAX.FORM.