



Please return completed form to:  
 Pipeline Industry Benefit Fund  
 PO Box 470950  
 Tulsa, OK 74147  
 (918) 280-4800

**BENEFICIARY  
 REQUEST FOR DISTRIBUTION FORM  
 PIPELINE INDUSTRY ANNUITY/401(K) PLAN**

**SECTION 1: DECEASED PARTICIPANT INFORMATION**

Social Security Number: \_\_\_\_\_ Deceased Participant Name: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_ Date of Birth: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Date of Death: \_\_\_\_\_

**SECTION 2: BENEFICIARY INFORMATION**

Social Security Number: \_\_\_\_\_ Name of Beneficiary: \_\_\_\_\_  
 Relationship to Participant: \_\_\_\_\_ E-mail address: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_ Daytime phone: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

**SECTION 3: DELAY YOUR DISTRIBUTION**

*If this option is selected, complete and skip to Section 6.*

By selecting this option, the account will remain active in the plan and be converted to a Beneficiary Account. This option allows you online access, the ability to direct investments, and the opportunity to name your own beneficiary(s). Once converted, you will receive a packet in the mail with the necessary forms and information. **This option is only available if the balance is above \$7,000.**

Convert to Beneficiary Account

**SECTION 4: PAYOUT OPTIONS**

**Please read the "Special Tax Notice Regarding Plan Payments" before completing this section**

**Option 1: Lump Sum**

Total account balance  
 Percentage of account balance, indicate % \_\_\_\_\_  Gross **OR**  Net of Federal/State Taxes withheld  
 Dollar Amount, indicate \$ \_\_\_\_\_  Gross **OR**  Net of Federal/State Taxes withheld  
 Method of Payment:  Mail check to address of record **OR**  ACH my bank account, refer to requirements in Section 6

**Option 2: Cash Installments**

*Please refer to your beneficiary confirmation letter for allowable installment options.*

By selecting this option, the account will remain in the plan and be converted to a Beneficiary Account. This option allows you online access to the account, to direct investments, and to name your own beneficiary(s). Once converted, you will receive a packet in the mail with the necessary forms and information. **This option is only available if the balance is above \$7,000.**

Monthly  Quarterly  Semi-annually  Annually  
 Dollar Amount, indicate \$ \_\_\_\_\_ to be paid over a period of \_\_\_\_\_ years beginning on \_\_\_\_\_  
 Gross **OR**  Net of Federal/State Taxes withheld  
 Method of Payment:  Mail check to address above **OR**  ACH my bank account, refer to requirements in Section 6



**BENEFICIARY  
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**Option 3: Direct Rollover**

Spousal beneficiary ONLY:

Rollover to Qualified Plan **OR**  Rollover to Traditional IRA **OR**  Rollover to Roth IRA

100% **OR**  Specified amount \$ \_\_\_\_\_

Non-Spouse or other beneficiary:

*Non-spousal beneficiary(s) must set up a Beneficiary IRA; funds cannot be rolled into a Traditional IRA*

Direct rollover to a Beneficiary IRA

100% **OR**  Specified amount \$ \_\_\_\_\_

**Pre-tax (non Roth) account balance rollover instructions:**

Name of new trustee/custodian where funds will be held: \_\_\_\_\_

Account Number: \_\_\_\_\_

Mailing address: \_\_\_\_\_

Name and phone of contact person at new institution: \_\_\_\_\_

**Roth account balance rollover instructions:**

Name of new trustee/custodian where funds will be held: \_\_\_\_\_

Account Number: \_\_\_\_\_

Mailing address: \_\_\_\_\_

Name and phone of contact person at new institution: \_\_\_\_\_

**SECTION 5: WITHHOLDING ELECTION**

***Skip to Section 6 if requesting a direct rollover.***

**Federal withholding:** The IRS requires the plan to withhold 20% of the distribution amount paid directly to you that is eligible for rollover. If you wish to withhold a **GREATER** amount than the 20% mandatory withholding, please indicate below:

**ADDITIONAL** Federal tax withholding, if any, you want withheld from your beneficiary distribution:

5% **OR**  10% **OR** \$ \_\_\_\_\_ (indicate dollars)  
**(this is in addition to the required 20% Federal withholding)**

**State income tax will be withheld from the taxable portion of your distribution if you reside in a state that requires mandatory withholding.** I certify my legal state of residence is \_\_\_\_\_ and the election below reflects the requirements of that state. If permanent state of residence is not indicated, your state as outlined in Section 2 above will be used to determine state withholding requirements.

Check here if you **do not want any state** income tax withheld from your distribution (unless it is mandatory).

Additional state amount, if any, you want withheld from your distribution: \$ \_\_\_\_\_ (indicate dollars only)

**SECTION 6: REQUIRED DOCUMENTATION**

Death Certificate evidencing death of the participant named herein.

Copy of birth certificate and/or other documentation may be required.

If ACH is requested, a pre-printed voided check, deposit slip, **or** bank letter signed by a bank representative including your ACH information must be included. If this requirement is not met, a check will be issued and mailed. The name on the checking/savings account **MUST** match the name of beneficiary above. To safeguard the account, we reserve the right to decline any bank document(s).



**BENEFICIARY  
REQUEST FOR DISTRIBUTION FORM  
PIPELINE INDUSTRY ANNUITY/401(K) PLAN**

**SECTION 7: BENEFICIARY'S CERTIFICATION AND SIGNATURE**

*Your signature in Section 7 must be witnessed by a Notary Public. (See Section 8)*

The estimated processing time of your distribution is 14-20 business days upon receipt of a completed form by the Pipeline Industry Benefit Fund. The final amount of your payment may be subject to market fluctuation and therefore may differ from the amount at the time this request was made. Trust Company of Oklahoma is not responsible for any market changes on your final distribution amount between the time the completed form is received and the time the funds are actually withdrawn from the investments.

I have received the "Special Tax Notice Regarding Plan Payments" provided to me by the plan representative. I hereby request payment from the plan in the manner indicated. I hereby waive my right to a 30-day period in which to consider the decision of whether or not to elect a direct rollover. I certify under penalties of perjury all information provided by me is true and accurate, and no tax advice has been given to me by the plan representative and/or plan sponsor and all decisions regarding this withdrawal are my own. I expressly assume the responsibility for any adverse consequences which may arise from this withdrawal and I agree the plan representative and/or plan sponsor shall in no way be responsible for those consequences.

I, \_\_\_\_\_, as beneficiary of the above referenced participant, do hereby certify, I am the individual designated by the participant to receive death benefits under the plan. All documents which have been requested are true, correct, and complete. To the extent I may make a choice as to the manner and timing of benefits, I have received information as I may require to make an informed decision.

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

\_\_\_\_\_  
**Beneficiary's Signature**

\_\_\_\_\_  
**Date**

**SECTION 8: WITNESS BY NOTARY PUBLIC**

The signature in Section 7 has been witnessed.

State of \_\_\_\_\_ County of \_\_\_\_\_

BEFORE ME, the undersigned, a Notary Public, personally appeared \_\_\_\_\_ (beneficiary), who signed above as a free and voluntary act. IN WITNESS WHEREOF, I have signed my name and affixed my official notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
**Notary Public** (Seal)

My commission expires: \_\_\_\_/\_\_\_\_/\_\_\_\_

**SECTION 9: PLAN REPRESENTATIVE SIGNATURE**

\_\_\_\_\_  
**Plan Representative's signature**

\_\_\_\_\_  
**Date**

**Please return completed form to:  
Pipeline Industry Benefit Fund  
PO Box 470950  
Tulsa, OK 74147  
(918) 280-4800**





**INSTRUCTIONS FOR DIRECT ROLLOVER OF ELIGIBLE ROLLOVER DISTRIBUTIONS**

Payments from the plan that are **eligible rollover distributions** can be taken in two ways. You may have all or any portion of your eligible rollover distribution either (1) paid in a **direct rollover** to an IRA or another employer plan or (2) paid to you. If you chose to have the plan benefit paid to you, you will receive only 80% of the payment, because the Plan Administrator is required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes. You cannot waive that withholding.

**NOTE: THERE IS NO MANDATORY WITHHOLDING ON A DISTRIBUTION OF ROTH 401(k) ELECTIVE DEFERRALS**

**Eligible rollover distributions** are all distributions from the plan *except* the following:

- required minimum distributions;
- certain distributions that are part of a series of equal (or almost equal) periodic payments that will last for your lifetime (or joint lives of you and your Beneficiary) or for a specified period of 10 years or more; and
- Hardship distributions.

Your Plan Administrator has given or will give you a notice which describes your options in greater detail.

**Withholding Notice and Instructions**  
Substitute Form W-4P OMB #1545-0415

|                                   |  |
|-----------------------------------|--|
| <b>General</b>                    | Distributions from your qualified retirement plan are subject to Federal (and in some cases, State) income tax withholding. For some distributions, you can elect not to have withholding apply. <b>However, you cannot waive withholding on any eligible rollover distribution that is paid to you.</b> See the information above for the definition of eligible rollover distribution and a description of the mandatory 20% withholding.  |
| <b>Election of No Withholding</b> | <b>DISTRIBUTIONS THAT ARE NOT ELIGIBLE ROLLOVER DISTRIBUTIONS</b><br>If your distribution is not an eligible rollover distribution (see the definition of eligible rollover distribution above) you may elect not to have withholding apply. Check the no withholding box (or boxes) if you do not want any Federal income tax withheld from your distribution. Even if you do not have income tax withheld, you are liable for payments of income tax on the taxable portion of your distribution. You may also be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate. In addition, state and local taxes may apply to your distribution. |
| <b>Periodic Distributions</b>     | For purposes of the withholding rules on distributions that are not eligible rollover distributions, a periodic distribution is one that is includible in your income for tax purposes and that you receive in installments at regular intervals (e.g., annually, quarterly, monthly, etc.) over a period of time (generally, at least 10 years).<br><br>Periodic distributions are treated as wages for purposes of withholding. If you do not waive withholding on your periodic distributions, Federal income tax will be withheld unless you check off do not withhold.  |
| <b>Nonperiodic Distributions</b>  | On any nonperiodic distribution (i.e. one that is not an eligible rollover distribution), Federal income tax will be withheld at the rate of 10%, unless you waive withholding or specify a greater or lesser withholding percentage rate.   |
| <b>Caution</b>                    | Remember that there are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. See IRS Publication 505 for an explanation of the estimated tax requirements and penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension or annuity using Form W-4P.   |

## Special Tax Notice for Payments

### YOUR ROLLOVER OPTIONS

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

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan Administrator will tell you the amount that is being paid from each account.

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

### GENERAL INFORMATION ABOUT ROLLOVERS

#### How can a rollover affect my taxes?

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

#### Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan. An employer plan is a plan qualified under Section 401(a) of the Internal Revenue Code (including a 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan), a Section 403(a) annuity plan, a Section 403(b) tax-sheltered annuity, and an eligible Section 457(b) plan maintained by a governmental employer (a governmental 457 plan) that will accept the rollover. Your payment may be rolled over to a Roth IRA (see the Special Rules and Options section below). Your payment cannot be rolled over to a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA).

An employer plan is not legally required to accept a rollover. Before you decide to roll over your payment to another employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept a rollover. Even if an eligible employer plan accepts rollovers, it might not accept rollovers of certain types of distributions. If this is the case, you may wish to roll your distribution over to an IRA instead. If an eligible employer plan accepts your rollover, the rules of the employer plan will determine your investment options, fees, and rights to payment from that plan. Further, the amount rolled over will become subject to the tax rules that apply to the employer plan. In addition, the plan may restrict subsequent distributions of the rollover amount or may require your spouse's consent for any subsequent distribution. Check with the administrator of the plan that is to receive your rollover prior to making the rollover.

#### How do I do a rollover?

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

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

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

#### How much may I roll over?

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

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)

- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

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

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

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

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

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Cost of life insurance paid by the Plan
- Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution.

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

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

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments 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. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment.

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 aftertax 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 your payment includes employer stock that you do not roll over**

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

**If you have an outstanding loan that is being offset**

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

**If you were born on or before January 1, 1936**

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

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

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

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

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you are excluded 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**

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 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into 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. 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 that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

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

**If you are not a plan participant**

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

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

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

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

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

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

**If you are a nonresident alien**

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

### **Other special rules**

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

If you choose not to take a distribution at this time or do not respond to this Notice:

- The Plan Administrator will not make any distribution to you. According to the Plan's provisions, distributions will only be made with your consent.
- If your vested account balance is \$200 or less, the Plan Administrator will automatically distribute your vested account balance to you; because your balance is \$200 or less, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you can do a 60-day rollover.
- If your vested account balance is \$1,000 or less, the Plan Administrator will automatically distribute your vested account balance to you subject to the withholding requirements above; no distribution will be made to you without your consent if your vested account balance is greater than \$1,000.
- If your vested account balance above includes Rollover Contributions made by you to this Plan, those Rollover Contributions will be included when determining the \$1,000 amount.
- If your vested account balance is greater than \$1,000, but less than \$5,000, your vested account balance will be automatically rolled over to an IRA established by your employer. The Plan Administrator will provide you with the specific IRA information on a separate form that is attached to this Notice.
- If your vested account balance above includes Rollover Contributions made by you to this Plan, those Rollover Contributions will be included when determining the \$1,000 amount.
- If your vested account balance is not greater than \$5,000, your vested account balance will be automatically rolled over to an IRA established by your employer. The Plan Administrator will provide you with the specific IRA information on a separate form that is attached to this Notice.

**Also if you elect not to take a distribution at this time, such election must be communicated to the Plan Administrator. To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Allocating your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money.**

**In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk. It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals.**

**In making the decision as to whether or not to defer payment of your plan benefits it is important to consider numerous factors, including but not limited to premature distribution penalties described elsewhere in this Notice, the potential loss of investment income on a tax deferred (or Roth tax-free) basis, the investment fees charged by this plan versus those that will be charged by alternative investment vehicles such as rollover IRAs or other employer plans. Depending on how you invest your assets outside this plan you may or may not be able to invest in assets that provide higher rates of return.**

If you do not take a distribution of your account from the Plan or fail to respond to this Notice, the administration expenses and fees that currently apply to benefit accounts under the Plan are described on Schedule A of this Special Tax Notice Regarding Plan Payments. If you request a distribution of your Plan Account, see Schedule A of this Special Tax Notice Regarding Plan Payments for further information on the processing fee that may be charged to cover the cost of your request.

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.

### **Your Right To Waive the 30-Day Notice Period.**

Generally, neither a direct rollover nor a payment can be made from the Plan until at least 30 days after your receipt of this notice. Thus, after receiving this notice, you have at least 30 days to consider whether or not to have your withdrawal directly 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 to an IRA or an employer plan. Your withdrawal will then be processed in accordance with your election as soon as practical after the Plan Administrator receives it.

#### **FOR MORE INFORMATION**

You may wish to consult with the Plan Administrator or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, 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](http://www.irs.gov), or by calling 1-800-TAX-FORM.

#### **SPECIAL NOTE ABOUT STATE WITHHOLDING**

Any mandatory state withholding is required to be withheld from your payment. If you are an Oklahoma resident, and choose to have a direct payment made to you, you will only receive 75% of your vested plan balance, as the Plan Administrator is required to withhold 5% in Oklahoma state withholding in addition to the 20% federal withholding outlined above. If you are a resident of another state, the Plan Administrator may be required to withhold applicable state withholding on your payment as well.