



Explanation & Information About Requests for Unforeseeable Emergencies

As your Deferred Compensation Plan Administrator, we are pleased to provide you with information regarding your request for an Unforeseeable Emergency Distribution.

An "Unforeseeable Emergency" is described in the regulations issued under Section 457 of the Internal Revenue Code and your Plan as:

" . . . a severe financial hardship of the participant or beneficiary resulting from an illness or accident of the participant or beneficiary, the participant's or beneficiary's spouse, or the participant's or beneficiary's dependent . . . ; loss of the participant's or beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant or the beneficiary. For example, the imminent foreclosure of or eviction from the participant's or beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent . . . may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this paragraph . . . the purchase of a home and the payment of college tuition are not unforeseeable emergencies under this paragraph

. . . Whether a participant or beneficiary is faced with an unforeseeable emergency permitting a distribution . . . is to be determined based on the relevant facts and circumstances of each case, but, in any case, a distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the plan.

. . . Distributions because of an unforeseeable emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution)."

If you feel that you may qualify for an Unforeseeable Emergency Distribution, please complete the attached application and the W-4P Federal Tax Withholding Form and mail them to our office. Please note that the amount you request for a withdrawal cannot exceed the current value of your account. If your request is approved, all funds will be withdrawn on a pro-rated basis across all accounts, according to your allocation percentages. Some mutual funds may impose a short term trade fee. Please read the underlying prospectuses carefully.

If you currently have Life Insurance coverage through the plan, please be aware that if you choose to stop your deferrals to alleviate your Unforeseeable Emergency, your policy may lapse and your coverage will no longer be in effect. Please contact our office to discuss the options available to you to continue your life insurance coverage.

Please return the completed application and the attached W-4P to:

NATIONWIDE RETIREMENT SOLUTIONS
P O BOX 182797
COLUMBUS OH 43218-2797

If you require assistance with the completion of the attached forms or have any questions, please call us at 1-877-NRS-FORU (1-877-677-3678).

Deferred Compensation Unforeseeable Emergency Distribution Application

Participant Information

<i>Participant Name:</i>	<i>Social Security Number:</i>
<i>Current Address:</i>	
<i>City:</i>	<i>State:</i>
<i>Zip Code:</i>	
<i>Contact Phone Number:</i>	<i>Email Address:</i>
<i>Employer Name:</i>	<i>Employer Number:</i>

Unforeseeable Emergency

To qualify for an unforeseeable emergency distribution, the participant must experience a severe financial hardship that is a result of an extraordinary and unforeseeable event beyond their control that cannot be relieved using funds available from their checking, savings, stocks, mutual funds, securities, insurance, other assets or by ceasing their deferrals.

Non-approvable events generally include:

- ◆ routine monthly expenses ◆ annual tax liability ◆ purchase of a car ◆ education expenses
- ◆ maternity leave ◆ loss of overtime/holiday pay ◆ purchase of a home ◆ elective/cosmetic surgery
- ◆ auto maintenance ◆ routine medical expenses ◆ elective orthodontia ◆ home maintenance

Please describe the participant's or beneficiary's severe financial hardship.

1. Was the severe financial hardship a result of an illness of the participant or beneficiary (or their spouse or dependent)? Yes No If yes, describe

2. Was the severe financial hardship a result of an accident of the participant or beneficiary (or their spouse or dependent)? Yes No If yes, describe

3. Was the severe financial hardship a result of a loss of the participant's or beneficiary's property due to casualty? Yes No If Yes, describe

4. Was the severe financial hardship a result of some other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant or the beneficiary? Yes No If yes, describe

Deferred Compensation Unforeseeable Emergency Distribution Application

Unforeseeable Emergency (continued)

Please select the reason for your unforeseeable emergency request from the following list. Please realize you will be required to submit documentation to support your request.

Reason	Required Documentation
<input type="checkbox"/> Property Loss Due To Accident /Casualty	<input type="checkbox"/> Official Police Report (where applicable) <input type="checkbox"/> <i>If the participant has insurance:</i> a letter from the participant's insurance company indicating the amount covered by insurance and deductible amount owed, or reasons for no coverage. <input type="checkbox"/> <i>If the participant does not have insurance:</i> a signed statement from the participant indicating that they do not have insurance. <input type="checkbox"/> Detailed repair estimate from a licensed mechanic indicating the make and model of the vehicle in need of repairs (for auto repairs) <input type="checkbox"/> Detailed repair estimate from a licensed contractor indicating the specific causes of the damage to the participant's primary residence (for home repairs).
<input type="checkbox"/> Divorce/ Separation	<input type="checkbox"/> Copy of the divorce decree or separation agreement. <input type="checkbox"/> See "Involuntary Loss of Income", "Legal Fees", and "Moving Expenses" sections below for supporting documentation.
<input type="checkbox"/> Repair of Automobile	<input type="checkbox"/> See "Property Loss Due to Accident/Casualty" above.
<input type="checkbox"/> Imminent Foreclosure/ Eviction	<input type="checkbox"/> Letter from the mortgage company indicating a dollar amount needed to prevent imminent foreclosure or acceleration on the participant's <i>primary</i> residence. ○ Documentation showing the property address of the loan under the threat of foreclosure. <input type="checkbox"/> Letter from the landlord/leasing agency or court ordered eviction notice indicating the dollar amount needed to prevent imminent eviction from primary residence
<input type="checkbox"/> Car Repossession	<input type="checkbox"/> Letter from the auto loan company indicating a dollar amount needed to prevent repossession of your primary automobile
<input type="checkbox"/> Funeral	<input type="checkbox"/> Detailed invoice from a funeral home billed to the participant <input type="checkbox"/> Documentation regarding whether or not the deceased had life insurance and the amount of those benefits
<input type="checkbox"/> Home Repair/ Modification	<input type="checkbox"/> See "Property Loss Due to Accident/Casualty"
<input type="checkbox"/> Medical/ Dental/ Prescription Expenses	<input type="checkbox"/> <i>If the participant has insurance:</i> Explanation of Benefits forms from the insurance company indicating insurance coverage (or reasons for no coverage), patient responsibility, and dates of service for all charges. <input type="checkbox"/> <i>If the participant does not have insurance:</i> Detailed bills indicating dates of service for all charges and a signed statement indicating that the participant does not have insurance. <input type="checkbox"/> If the procedure could be considered cosmetic, a letter from a medical doctor/dentist indicating the reasons why the procedure is medically necessary.
<input type="checkbox"/> Utility Disconnection	<input type="checkbox"/> Letter from the utility company indicating the dollar amount needed to prevent imminent disconnection of the gas, electric or water services at the participant's primary residence.
<input type="checkbox"/> Legal Fees	<input type="checkbox"/> Signed attorney retainer agreement, and/or <input type="checkbox"/> Detailed list of costs incurred from the attorney indicating dates of service for all charges

Deferred Compensation Unforeseeable Emergency Distribution Application

**Unforeseeable
Emergency
(continued)**

<input type="checkbox"/> Moving Expenses	<input type="checkbox"/> Rental/lease agreement <input type="checkbox"/> Copies of bills/receipts for moving expenses
<input type="checkbox"/> Child Support	<input type="checkbox"/> Letter from the Child Support Enforcement Agency indicating amount of child support in arrears that is owed to the participant.
<input type="checkbox"/> Involuntary Loss of Income	<input type="checkbox"/> Last full pay stub indicating regular full pay rate. <input type="checkbox"/> Letter from employer indicating dates of employment and UNPAID dates of work missed due to involuntary reasons. This must indicate any sick pay, vacation pay, worker's compensation, unemployment benefits or any other form of compensation received while out of work. <input type="checkbox"/> A two-year pay history must be documented with previous years W-2 forms.

Items to keep in mind to prevent your request from being delayed or denied:

- ◆ If your unforeseeable emergency distribution is due to a *legal dependent's situation*, we will require a copy of the qualified dependent worksheet to show dependency
- ◆ Documentation being supplied from third parties must be on third party's letterhead
- ◆ The documentation provided must generally be dated within the previous 12 months
- ◆ Sign your application and the tax forms provided (if applicable)
- ◆ Please allow up to 10 days for receipt and review

*All Documentation will be reviewed and does not guarantee approval of your request.
Please note that additional documentation may be requested.*

What dollar amount are you requesting? *(Applications without a stated request amount cannot be approved.)*

**Tax
Information**

All distributions are subject to federal, applicable state and local taxes. Federal Income Tax will be withheld from your payment as required by the Internal Revenue Code. Payments will be reported on a 1099-R form.

Please select the method to handle your tax withholding:

- Use the default rate of 10% for Federal Taxes (unless otherwise directed with this form or an attached W-4P, all unforeseeable emergency withdrawals will use a default rate of 10% for Federal Taxes) If choosing to use the default rate, check here if you wish to increase your distribution to pay for the 10% tax withholding.
- Please use the withholding I designated on the attached W-4P form
- Do not** withhold Federal taxes from my withdrawal. I will be liable for all Federal taxes that may result from this withdrawal

Note: If a W-4P is submitted with this application, NRS will follow the withholding indicated on the W-4P.

**Signature &
Authorization**

I verify that all information provided on this application is current, complete, and accurate. I verify that my event may not be relieved using funds available from my checking, savings, stocks, mutual funds, securities, insurance, other assets or by ceasing my deferrals.

I understand it is my responsibility to and I agree to maintain the documentation supporting this unforeseeable emergency request.

I understand that these funds may not be rolled over into an IRA, 401, 403(b), or another 457 plan.

I understand that if I am still deferring to the Plan, my request for unforeseeable emergency withdrawal may be denied.

Thank you for your participation in the deferred compensation program. If you have any questions, please call us at 1-877-677-3678.

<i>Participant's Signature</i>	<i>Date</i>

PURPOSE OF FORM:

The purpose of the W-4P Form is to provide your pension and annuity product provider with the federal tax information necessary to process your payout. *PLEASE NOTE:* We do not require that you complete the Personal Allowances Worksheet or the Multiple Pensions/More Than One Income Worksheet. However, we do require that you complete the "Withholding Certificate for Pension or Annuity Payments Section" as indicated below.

INFORMATION REQUIRED: (Please print or type all information)

Name & Address Information:

- Name - First, Middle, Last
- Your Social Security Number
- Your Home Address - include apartment number or rural route if applicable
- City, State and Zip Code

Tax Information:

1. Place an "X" in the box if you elect not to have income taxes withheld
2. Indicate the Number of Allowances and place an "X" in the box indicating your marital status.
3. Indicate any additional federal tax amount you want withheld from each pension or annuity check.

Sign and date the W-4P Form and attach it to your Unforeseeable Emergency application. Return both forms to Nationwide Retirement Solutions, PO Box 182797, Columbus OH 43218-2797.

Withholding Certificate for Pension or Annuity Payments

2008

Purpose. Form W-4P is for U.S. citizens, resident aliens, or their estates who are recipients of pensions, annuities (including commercial annuities), and certain other deferred compensation. Use Form W-4P to tell payers the correct amount of federal income tax to withhold from your payment(s). You also may use Form W-4P to choose (a) not to have any federal income tax withheld from the payment (except for eligible rollover distributions, or payments to U.S. citizens delivered outside the United States or its possessions) or (b) to have an additional amount of tax withheld.

Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution, as explained on

pages 3 and 4. Your previously filed Form W-4P will remain in effect if you do not file a Form W-4P for 2008.

What do I need to do? Complete lines **A** through **G** of the **Personal Allowances Worksheet**. Use the additional worksheets on page 2 to adjust your withholding allowances for itemized deductions, adjustments to income, certain credits, or multiple pensions/more-than-one-income situations. If you do not want any federal income tax withheld (see *Purpose* above), you can skip the worksheets and go directly to the Form W-4P below.

Sign this form. Form W-4P is not valid unless you sign it.

Personal Allowances Worksheet (Keep for your records.)

A	Enter "1" for yourself if no one else can claim you as a dependent	A	_____
B	Enter "1" if: <div style="display: inline-block; vertical-align: middle; border-left: 1px solid black; border-right: 1px solid black; padding: 0 10px;"> <ul style="list-style-type: none"> • You are single and have only one pension; or • You are married, have only one pension, and your spouse has no income subject to withholding; or • Your income from a second pension or a job, or your spouse's pension or wages (or the total of all) is \$1,500 or less. </div>	B	_____
C	Enter "1" for your spouse . But, you may choose to enter "-0-" if you are married and have either a spouse who has income subject to withholding or you have more than one source of income subject to withholding. (Entering "-0-" may help you avoid having too little tax withheld.)	C	_____
D	Enter number of dependents (other than your spouse or yourself) you will claim on your tax return	D	_____
E	Enter "1" if you will file as head of household on your tax return	E	_____
F	Child Tax Credit (including additional child tax credit): <ul style="list-style-type: none"> • If your total income will be less than \$58,000 (\$86,000 if married), enter "2" for each eligible child. • If your total income will be between \$58,000 and \$84,000 (\$86,000 and \$119,000 if married), enter "1" for each eligible child plus "1" additional if you have 4 or more eligible children 	F	_____
G	Add lines A through F and enter total here. (Note. <i>This may be different from the number of exemptions you claim on your tax return.</i>)	G	_____
	For accuracy, complete all worksheets that apply. <div style="display: inline-block; vertical-align: middle; border-left: 1px solid black; border-right: 1px solid black; padding: 0 10px;"> <ul style="list-style-type: none"> • If you plan to itemize or claim adjustments to income and want to reduce your withholding, see the Deductions and Adjustments Worksheet on page 2. • If you have more than one source of income subject to withholding or a spouse with income subject to withholding and your combined income from all sources exceeds \$40,000 (\$25,000 if married), see the Multiple Pensions/More-Than-One-Income Worksheet on page 2 to avoid having too little tax withheld. • If neither of the above situations applies, stop here and enter the number from line G on line 2 of Form W-4P below. </div>		

----- Cut here and give Form W-4P to the payer of your pension or annuity. Keep the top part for your records. -----

Withholding Certificate for Pension or Annuity Payments

2008

▶ For Privacy Act and Paperwork Reduction Act Notice, see page 4.

Type or print your first name and middle initial.	Last name	Your social security number : : : : : :
Home address (number and street or rural route)		Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code		

Complete the following applicable lines.

1	Check here if you do not want any federal income tax withheld from your pension or annuity. (Do not complete lines 2 or 3.) ▶ <input type="checkbox"/>		
2	Total number of allowances and marital status you are claiming for withholding from each periodic pension or annuity payment. (You may also designate an additional dollar amount on line 3.) ▶ _____		
Marital status: <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher "Single" rate			
3	Additional amount, if any, you want withheld from each pension or annuity payment. (Note. <i>For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2.</i>) . . . ▶ \$ _____		

Your signature ▶ _____

Date ▶ _____

Deductions and Adjustments Worksheet

Note. Use this worksheet **only** if you plan to itemize deductions, claim certain credits, or claim adjustments to income on your 2008 tax return.

1	Enter an estimate of your 2008 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 2008, you may have to reduce your itemized deductions if your income is over \$159,950 (\$79,975 if married filing separately). See <i>Worksheet 2</i> in Pub. 919 for details.) . . .	1	\$ _____								
2	Enter: <table border="0" style="display: inline-table; vertical-align: middle;"> <tr> <td style="font-size: 3em; vertical-align: middle;">{</td> <td style="padding: 0 10px;">\$10,900 if married filing jointly or qualifying widow(er)</td> <td rowspan="3" style="font-size: 3em; vertical-align: middle;">}</td> <td rowspan="3" style="padding: 0 10px;">.</td> <td rowspan="3" style="padding: 0 10px;">2</td> <td rowspan="3" style="padding: 0 10px;">\$ _____</td> </tr> <tr> <td>\$ 8,000 if head of household</td> </tr> <tr> <td>\$ 5,450 if single or married filing separately</td> </tr> </table>	{	\$10,900 if married filing jointly or qualifying widow(er)	}	2	\$ _____	\$ 8,000 if head of household	\$ 5,450 if single or married filing separately	2	\$ _____
{	\$10,900 if married filing jointly or qualifying widow(er)	}					2	\$ _____		
\$ 8,000 if head of household											
\$ 5,450 if single or married filing separately											
3	Subtract line 2 from line 1. If zero or less, enter “-0-”	3	\$ _____								
4	Enter an estimate of your 2008 adjustments to income, including alimony, deductible IRA contributions, and student loan interest	4	\$ _____								
5	Add lines 3 and 4 and enter the total. (Include any credit amounts from <i>Worksheet 8</i> in Pub. 919.)	5	\$ _____								
6	Enter an estimate of your 2008 income not subject to withholding (such as dividends or interest)	6	\$ _____								
7	Subtract line 6 from line 5. If zero or less, enter “-0-”	7	\$ _____								
8	Divide the amount on line 7 by \$3,500 and enter the result here. Drop any fraction.	8	_____								
9	Enter the number from the Personal Allowances Worksheet , line G, page 1	9	_____								
10	Add lines 8 and 9 and enter the total here. If you use the Multiple Pensions/More-Than-One-Income Worksheet , also enter this total on line 1 below. Otherwise, stop here and enter this total on Form W-4P, line 2, page 1	10	_____								

Multiple Pensions/More-Than-One-Income Worksheet

Note. Complete only if the instructions under line G, page 1, direct you here. This applies if you (and your spouse if married filing a joint return) have more than one source of income subject to withholding (such as more than one pension, or a pension and a job, or you have a pension and your spouse works).

1	Enter the number from line G, page 1 (or from line 10 above if you used the Deductions and Adjustments Worksheet).	1	_____
2	Find the number in Table 1 below that applies to the LOWEST paying pension or job and enter it here. However , if you are married filing jointly and the amount from the highest paying pension or job is \$50,000 or less, do not enter more than “3.”	2	_____
3	If line 1 is more than or equal to line 2, subtract line 2 from line 1. Enter the result here (if zero, enter “-0-”) and on Form W-4P, line 2, page 1. Do not use the rest of this worksheet.	3	_____
Note. If line 1 is less than line 2, enter “-0-” on Form W-4P, line 2, page 1. Complete lines 4–9 below to calculate the additional withholding amount necessary to avoid a year-end tax bill.			
4	Enter the number from line 2 of this worksheet	4	_____
5	Enter the number from line 1 of this worksheet	5	_____
6	Subtract line 5 from line 4.	6	_____
7	Find the amount in Table 2 below that applies to the HIGHEST paying pension or job and enter it here	7	\$ _____
8	Multiply line 7 by line 6 and enter the result here. This is the additional annual withholding needed	8	\$ _____
9	Divide line 8 by the number of pay periods remaining in 2008. For example, divide by 12 if you are paid every month and you complete this form in December 2007. Enter the result here and on Form W-4P, line 3, page 1. This is the additional amount to be withheld from each payment	9	\$ _____

Table 1				Table 2			
Married Filing Jointly		All Others		Married Filing Jointly		All Others	
If wages from LOWEST paying pension or job are—	Enter on line 2 above	If wages from LOWEST paying pension or job are—	Enter on line 2 above	If wages from HIGHEST paying pension or job are—	Enter on line 7 above	If wages from HIGHEST paying pension or job are—	Enter on line 7 above
\$0 - \$4,500	0	\$0 - 6,500	0	\$0 - \$65,000	\$530	\$0 - \$35,000	\$530
4,501 - 10,000	1	6,501 - 12,000	1	65,001 - 120,000	880	35,001 - 80,000	880
10,001 - 18,000	2	12,001 - 20,000	2	120,001 - 180,000	980	80,001 - 150,000	980
18,001 - 22,000	3	20,001 - 27,000	3	180,001 - 310,000	1,160	150,001 - 340,000	1,160
22,001 - 27,000	4	27,001 - 35,000	4	310,001 and over	1,230	340,001 and over	1,230
27,001 - 33,000	5	35,001 - 50,000	5				
33,001 - 40,000	6	50,001 - 65,000	6				
40,001 - 50,000	7	65,001 - 80,000	7				
50,001 - 55,000	8	80,001 - 95,000	8				
55,001 - 60,000	9	95,001 - 120,000	9				
60,001 - 65,000	10	120,001 and over	10				
65,001 - 75,000	11						
75,001 - 100,000	12						
100,001 - 110,000	13						
110,001 - 120,000	14						
120,001 and over	15						

Additional Instructions

Section references are to the Internal Revenue Code.

When should I complete the form? Complete Form W-4P and give it to the payer as soon as possible. Get Pub. 919, How Do I Adjust My Tax Withholding, to see how the dollar amount you are having withheld compares to your projected total federal income tax for 2008. You may also use the Withholding Calculator on the IRS website at www.irs.gov/individuals for help in determining how many withholding allowances to claim on your Form W-4P.

Multiple pensions/more than one income. To figure the number of allowances that you may claim, combine allowances and income subject to withholding from all sources on one worksheet. You may file a Form W-4P with each pension payer, but do not claim the same allowances more than once. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4P for the highest source of income subject to withholding and zero allowances are claimed on the others.

Other income. If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Call 1-800-TAX-FORM (1-800-829-3676) to get Form 1040-ES and Pub. 505, Tax Withholding and Estimated Tax. You can also get forms and publications from the IRS website at www.irs.gov.

If you have income from wages, see Pub. 919 to find out if you should adjust your withholding on Form W-4 or Form W-4P.

Note. Social security and railroad retirement payments may be includible in income. See Form W-4V, Voluntary Withholding Request, for information on voluntary withholding from these payments.

Withholding From Pensions and Annuities

Generally, federal income tax withholding applies to the taxable part of payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans; from individual retirement arrangements (IRAs); and from commercial annuities. The method and rate of withholding depends on (a) the kind of payment you receive, (b) whether the payments are delivered outside the United States or its possessions, and (c) whether the recipient is a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not subject to withholding. See page 4 for special withholding rules that apply to payments outside the United States and payments to foreign persons.

Because your tax situation may change from year to year, you may want to refigure your withholding each year. You can change the amount to be withheld by using lines 2 and 3 of Form W-4P.

Choosing not to have income tax withheld. You (or in the event of death, your beneficiary or estate) can choose not to have federal income tax withheld from your payments by using line 1 of Form W-4P. For an estate, the election to have no income tax withheld may be made by the executor or personal representative of the decedent. Enter the estate's employer identification number (EIN) in the area reserved for "Your social security number" on Form W-4P.

You may not make this choice for eligible rollover distributions. See *Eligible rollover distribution—20% withholding* on page 4.

Caution. There are penalties for not paying enough federal income tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see Pub. 505. It explains your estimated tax requirements and describes 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.

Periodic payments. Withholding from periodic payments of a pension or annuity is figured in the same manner as withholding from wages. Periodic payments are made in installments at regular intervals over a period of more than 1 year. They may be paid annually, quarterly, monthly, etc.

If you want federal income tax to be withheld, you must designate the number of withholding allowances on line 2 of Form W-4P and indicate your marital status by checking the appropriate box. Under current law, you cannot designate a specific dollar amount to be withheld. However, you can designate an additional amount to be withheld on line 3.

If you do not want any federal income tax withheld from your periodic payments, check the box on line 1 of Form W-4P and submit the form to your payer. However, see *Payments to Foreign Persons and Payments Outside the United States* on page 4.

Caution. If you do not submit Form W-4P to your payer, the payer must withhold on periodic payments as if you are married claiming three withholding allowances. Generally, this means that tax will be withheld if your pension or annuity is at least \$1,560 a month.

If you submit a Form W-4P that does not contain your correct taxpayer identification number (TIN), the payer must withhold as if you are single claiming zero withholding allowances even if you choose not to have federal income tax withheld.

There are some kinds of periodic payments for which you cannot use Form W-4P because they are already defined as wages subject to federal income tax withholding. These payments include retirement pay for service in the U.S. Armed Forces and payments from certain nonqualified deferred compensation plans and deferred compensation plans of exempt organizations described in section 457. Your payer should be able to tell you whether Form W-4P applies.

For periodic payments, your Form W-4P stays in effect until you change or revoke it. Your payer must notify you each year of your right to choose not to have federal income tax withheld (if permitted) or to change your choice.

Nonperiodic payments—10% withholding. Your payer must withhold at a flat 10% rate from nonperiodic payments (but see *Eligible rollover distribution—20% withholding* on page 4) unless you choose not to have federal income tax withheld. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. You can choose not to have federal income tax withheld from a nonperiodic payment (if permitted) by submitting Form W-4P (containing your correct TIN) to your payer and checking the box on line 1. Generally, your choice not to have federal income tax withheld will apply to any later payment from the same plan. You cannot use line 2 for nonperiodic payments. But you may use line 3 to specify an additional amount that you want withheld.

Caution. If you submit a Form W-4P that does not contain your correct TIN, the payer cannot honor your request not to have income tax withheld and must withhold 10% of the payment for federal income tax.

Eligible rollover distribution—20% withholding.

Distributions you receive from qualified pension or annuity plans (for example, 401(k) pension plans, and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over tax free to an IRA or qualified plan are subject to a flat 20% federal withholding rate. The 20% withholding rate is required, and you cannot choose not to have income tax withheld from eligible rollover distributions. Do not give Form W-4P to your payer unless you want an additional amount withheld. Then, complete line 3 of Form W-4P and submit the form to your payer.

Note. The payer will not withhold federal income tax if the entire distribution is transferred by the plan administrator in a direct rollover to a traditional IRA, qualified pension plan, governmental section 457(b) plan (if allowed by the plan), or tax-sheltered annuity.

Distributions that are (a) required by law, (b) one of a specified series of equal payments, or (c) qualifying "hardship" distributions are **not** "eligible rollover distributions" and are not subject to the mandatory 20% federal income tax withholding. See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* on page 3.

Changing Your "No Withholding" Choice

Periodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, complete another Form W-4P and submit it to your payer. If you want federal income tax withheld at the rate set by law (married with three allowances), write "Revoked" next to the checkbox on line 1 of the form. If you want tax withheld at any different rate, complete line 2 on the form.

Nonperiodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, write "Revoked" next to the checkbox on line 1 and submit Form W-4P to your payer.

Payments to Foreign Persons and Payments Outside the United States

Unless you are a nonresident alien, withholding (in the manner described above) is required on any periodic or nonperiodic payments that are delivered to you outside the United States or its possessions. You cannot choose not to have federal income tax withheld on line 1 of Form W-4P. See Pub. 505 for details.

In the absence of a tax treaty exemption, nonresident aliens, nonresident alien beneficiaries, and foreign estates generally are subject to a 30% federal withholding tax under section 1441 on the taxable portion of a periodic or nonperiodic pension or annuity payment that is from U.S. sources. However, most tax treaties provide that private pensions and annuities are exempt from withholding and tax. Also, payments from certain pension plans are exempt from withholding even if no tax treaty applies. See Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and Pub. 519, *U.S. Tax Guide for Aliens*, for details. A foreign person should submit Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, to the payer before receiving any payments. The Form W-8BEN must contain the foreign person's TIN.

Statement of Federal Income Tax Withheld From Your Pension or Annuity

By January 31 of next year, your payer will furnish a statement to you on Form 1099-R, *Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.*, showing the total amount of your pension or annuity payments and the total federal income tax withheld during the year. If you are a foreign person who has provided your payer with Form W-8BEN, your payer instead will furnish a statement to you on Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*, by March 15 of next year.

Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from periodic pension or annuity payments based on your withholding allowances and marital status, (b) request additional federal income tax withholding from your pension or annuity, (c) choose not to have federal income tax withheld, when permitted, or (d) change or revoke a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Qualified Dependent Worksheet


**Please
Read!**

Please complete this document and return it to Nationwide Retirement Solutions in the pre-paid envelope that was included with this form. A separate form **must** be completed for each dependent for which you are seeking Unforeseeable Emergency funds. Please note that if this form is not completed and required documentation is not included, your request may be delayed and/or denied.

If you have any questions, please contact our Customer Service Center at 1-877-677-3678 between the hours of 8:00 A.M. and 9:00 P.M., Eastern Time, Monday through Friday.

**Plan
Participant
Information**

<i>Name:</i>
<i>Social Security Number:</i>
<i>Address:</i>
<i>City, State, Zip Code:</i>

**Dependent
Information**

<i>Name:</i>	<i>Relationship:</i>
<i>Is the Dependent Currently a Student?</i> <input type="checkbox"/> Yes <input type="checkbox"/> No	<i>Date of Birth:</i>
<i>Dependent's Address (If different from Participant's Address):</i>	
<i>City, State, Zip Code:</i>	

Dependent Income Information:

- Does the dependent have any income for this year: Yes No
- What was the amount of income for the dependent last year? \$ _____
(Please attach a copy of your tax return from the previous year.)
- How much income has the dependent received for this year? \$ _____
(Please attach a copy of dependent's most recent pay stub)
- Does the dependent receive more than half of his/her support for the current year from you? Yes No

Authorization

Plan Participant's Signature: _____

Date: _____

SECTION 1 - 402(f) NOTICE

402(f) SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS

This notice explains how you can continue to defer federal income tax on your retirement savings in your retirement plan (the "Plan") and contains important information you will need before you decide how to receive your Plan benefits.

This notice is provided to you by your Plan Administrator or by the Plan's Payor if the Plan is a 403(b) Plan because all or part of the payment that you will soon receive from the Plan may be eligible for rollover by you or your Plan Administrator to a traditional IRA or an eligible employer plan. A rollover is a payment by you or the Plan Administrator of all or part of your benefit to another plan or IRA that allows you to continue to postpone taxation of that benefit until it is paid to you. Your payment cannot be rolled over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA). An "eligible employer plan" includes 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 (governmental 457 plan). This plan is an eligible retirement plan.

An eligible 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 a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as aftertax amounts. If this is the case, and your distribution includes after-tax amounts, you may wish instead to roll your distribution over to a traditional IRA or split your rollover amount between the employer plan in which you will participate and a traditional IRA. If an employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse's consent for any subsequent distribution. A subsequent distribution from the plan that accepts your rollover may also be subject to different tax treatment than distributions from this Plan. Check with the administrator of the plan that is to receive your rollover prior to making the rollover. If you have additional questions after reading this notice, you can contact your plan administrator.

SUMMARY

There are two ways you may be able to receive a Plan payment that is eligible for rollover:

- (1) Certain payments can be made directly to a traditional IRA that you establish or to an eligible employer plan that will accept it and hold it for your benefit ("DIRECT ROLLOVER"); or
- (2) The payment can be PAID TO YOU.

If you choose a DIRECT ROLLOVER:

- Your payment will not be taxed in the current year and no income tax will be withheld.
- You choose whether your payment will be made directly to your traditional IRA or to an eligible employer plan that accepts your rollover. Your payment cannot be rolled over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account because these are not traditional IRAs. The taxable portion of your payment will be taxed later when you take it out of the traditional IRA or the eligible employer plan. Depending on the type of plan, the later distribution may be subject to different tax treatment than it would be if you received a taxable distribution from this Plan.

If you choose to have a Plan payment that is eligible for rollover PAID TO YOU:

- You will receive only 80% of the taxable amount of the payment, because the Plan Administrator is required to withhold 20% of that amount and send it to the IRS as federal income tax withholding to be credited against your taxes.

The taxable amount of your payment will be taxed in the current year unless you roll it over. Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59 1/2, you may have to pay an additional 10% tax.

- You can roll over all or part of the payment by paying it to your traditional IRA or to an eligible employer plan that accepts your rollover within 60 days after you receive the payment. The amount rolled over will not be taxed until you take it out of the traditional IRA or the eligible employer plan.
- If you want to roll over 100% of the payment to a traditional IRA or an eligible employer plan, you must replace the 20% of the taxable portion that was withheld. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over.

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 initialing where indicated on the payout request form. Your withdrawal will then be processed in accordance with your election as soon as practical after it is received by the Plan Administrator.

MORE INFORMATION

I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER

II. DIRECT ROLLOVER

III. PAYMENT PAID TO YOU

IV. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES

I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER

Payments from the Plan may be "eligible rollover distributions." This means that they can be rolled over to a traditional IRA or to an eligible employer plan that accepts rollovers. Payments from a plan cannot be rolled over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account. Your Plan administrator should be able to tell you what portion of your payment is an eligible rollover distribution.

After-tax Contributions. If you made after-tax contributions to the Plan, these contributions may be rolled into either a traditional IRA or to certain employer plans that accept rollovers of the after-tax contributions. The following rules apply:

a. Rollover into a Traditional IRA. You can roll over your after-tax contributions to a traditional IRA either directly or indirectly. Your plan administrator should be able to tell you how much of your payment is the taxable portion and how much is the after-tax portion. If you roll over after-tax contributions to a traditional IRA, it is your responsibility to keep track of, and report to the Service on the applicable forms, the amount of these after-tax contributions. This will enable the nontaxable amount of any future distributions from the traditional IRA to be determined. Once you roll over your after-tax contributions to a traditional IRA, those amounts CANNOT later be rolled over to an employer plan.

b. Rollover into an Employer Plan. You can roll over after-tax contributions from an employer plan that is qualified under Code section 401(a) or a section 403(a) annuity plan to another such plan using a direct rollover if the other plan provides separate accounting for amounts rolled over, including separate accounting for the after-tax employee contributions and earnings on those contributions. You can also roll over after-tax contributions from a section 403(b) tax-sheltered annuity to another section 403(b) tax-sheltered annuity using a direct rollover if the other tax-sheltered annuity provides separate accounting for amounts rolled over, including separate accounting for the after-tax employee contributions and earnings on those contributions. You CANNOT roll over after-tax contributions to a governmental 457 plan. If you want to roll over your after-tax contributions to an employer plan that accepts these rollovers, you cannot have the after-tax contributions paid to you first. You must instruct the Plan Administrator of this Plan to make a direct rollover on your behalf. Also, you cannot first roll over after-tax contributions to a traditional IRA and then roll over that amount into an employer plan.

The following types of payments cannot be rolled over:

Payments Spread over Long Periods. You cannot roll over a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for:

- your lifetime (or a period measured by your life expectancy), or
- your lifetime and your beneficiary's lifetime (or a period measured by your joint life expectancies), or
- a period of 10 years or more.

Required Minimum Payments. Beginning when you reach age 70 1/2 or retire, whichever is later, a certain portion of your payment cannot be rolled over because it is a "required minimum payment" that must be paid to you. Special rules apply if you own 5% or more of your employer.

Hardship Distributions. A hardship distribution from a 401 or 403(b) plan cannot be rolled over.

Unforeseeable Emergencies. A distribution on account of an unforeseeable emergency from a 457(b) governmental plan cannot be rolled over.

Corrective Distributions. A distribution that is made because legal limits on certain contributions were exceeded cannot be rolled over.

Loans Treated as Distributions. The amount of a plan loan that becomes a taxable deemed distribution because of a default cannot be rolled over. However, a loan offset amount is eligible for rollover, as discussed in Part III below. Ask the Plan Administrator of this Plan if distribution of your loan qualifies for rollover treatment.

The Plan Administrator of this Plan should be able to tell you if your payment includes amounts which cannot be rolled over.

II. DIRECT ROLLOVER

A DIRECT ROLLOVER is a direct payment of the amount of your Plan benefits to a traditional IRA or an eligible employer plan that will accept it. You can choose a DIRECT ROLLOVER of all or any portion of your payment that is an eligible rollover distribution, as described in Part I above. You are not taxed on any taxable portion of your payment for which you choose a DIRECT ROLLOVER until you later take it out of the traditional IRA or eligible employer plan. In addition, no income tax withholding is required for any taxable portion of your Plan benefits for which you choose a DIRECT ROLLOVER. This Plan might not let you choose a DIRECT ROLLOVER if your distributions for the year are less than \$200.

DIRECT ROLLOVER to a Traditional IRA. You can open a traditional IRA to receive the direct rollover. If you choose to have your payment made directly to a traditional IRA, contact an IRA sponsor (usually a financial institution) to find out how to have your payment made in a direct rollover to a traditional IRA at that institution. If you are unsure of how to invest your money, you can temporarily establish a traditional IRA to receive the payment. However, in choosing a traditional IRA, you may wish to make sure that the traditional IRA you choose will allow you to move all or a part of your payment to another traditional IRA at a later date, without penalties or other limitations. See IRS Publication 590, Individual Retirement Arrangements, for more information on traditional IRAs (including limits on how often you can roll over between IRAs).

DIRECT ROLLOVER to a Plan. If you are employed by a new employer that has an eligible employer plan, and you want a direct rollover to that plan, ask the plan administrator of that plan whether it will accept your rollover. An eligible employer plan is not legally required to accept a rollover. Even if your new employer's plan does not accept a rollover, you can choose a DIRECT ROLLOVER to a traditional IRA. If the employer plan accepts your rollover, the plan may provide restrictions on the circumstances under which you may later receive a distribution of the rollover amount or may require spousal consent to any subsequent distribution. Check with the plan administrator of that plan before making your decision.

DIRECT ROLLOVER of a Series of Payments.

If you receive a payment that can be rolled over to a traditional IRA or an eligible employer plan that will accept it, and it is paid in a series of payments for less than 10 years, your choice to make or not make a DIRECT ROLLOVER for a payment will apply to all later payments in the series until you change your election. You are free to change your election for any later payment in the series.

Change in Tax Treatment Resulting from a DIRECT ROLLOVER.

The tax treatment of any payment from the eligible employer plan or traditional IRA receiving your DIRECT ROLLOVER might be different than if you received your benefit in a taxable distribution directly from the Plan. For example, if you were born before January 1, 1936, you might be entitled to ten-year averaging or capital gain treatment, as explained below. However, if you have your benefit rolled over to a section 403(b) tax-sheltered annuity, a governmental 457 plan, or a traditional IRA in a DIRECT ROLLOVER, your benefit will no longer be eligible for that special treatment. See the sections below entitled "Additional 10% Tax if You Are under Age 59 1/2" and "Special Tax Treatment if You Were Born before January 1, 1936."

III. PAYMENT PAID TO YOU

If your payment can be rolled over (see Part I above) and the payment is made to you in cash, it is subject to 20% federal income tax withholding on the taxable portion (state tax withholding may also apply). The payment is taxed in the year you receive it unless, within 60 days, you roll it over to a traditional IRA or an eligible employer plan that accepts rollovers. If you do not roll it over, special tax rules may apply.

Income Tax Withholding:

Mandatory Withholding. If any portion of your payment can be rolled over under Part I above and you do not elect to make a DIRECT ROLLOVER, the Plan is required by federal law to withhold 20% of the taxable amount. This amount is sent to the IRS as federal income tax withholding. For example, if you can roll over a taxable payment of \$10,000, only \$8,000 will be paid to you because the Plan must withhold \$2,000 as income tax. However, when you prepare your income tax return for the year, unless you make a rollover within 60 days (see "Sixty-Day Rollover Option" below), you must report the full \$10,000 as a taxable payment from the Plan. You must report the \$2,000 as tax withheld, and it will be credited against any income tax you owe for the year. There will be no income tax withholding if your payments for the year are less than \$200.

Voluntary Withholding. If any portion of your payment is taxable but cannot be rolled over under Part I above, the mandatory withholding rules described above do not apply. In this case, you may elect not to have withholding apply to that portion. If you do nothing, an amount will be taken out of this portion of your payment for federal income tax withholding. To elect out of withholding, ask the Plan Administrator for the election form and related information.

Sixty-Day Rollover Option. If you receive a payment that can be rolled over under Part I above, you can still decide to roll over all or part of it to a traditional IRA or to an eligible employer plan that accepts rollovers. If you decide to roll over, you must contribute the amount of the payment you received to a traditional IRA or eligible employer plan within 60 days after you receive the payment. The portion of your payment that is rolled over will not be taxed until you take it out of the traditional IRA or the eligible employer plan.

You can roll over up to 100% of your payment that can be rolled over under Part I above, including an amount equal to the 20% of the taxable portion that was withheld. If you choose to roll over 100%, you must replace the 20% that was withheld with other funds within the 60-day period to contribute to the traditional IRA or the eligible employer plan. On the other hand, if you roll over only the 80% of the taxable portion that you received, you will be taxed on the 20% that was withheld.

Example: The taxable portion of your payment that can be rolled over under Part I above is \$10,000, and you choose to have it paid to you. You will receive \$8,000, and \$2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the \$8,000, you may roll over the entire \$10,000 to a traditional IRA or an eligible employer plan. To do this, you roll over the \$8,000 you received from the Plan, and you will have to include \$2,000 from other sources (your savings, a loan, etc.).

In this case, the entire \$10,000 is not taxed until you take it out of the traditional IRA or an eligible employer plan. If you roll over the entire \$10,000, when you file your income tax return you may be eligible for a refund of a portion of the \$2,000 withheld.

If, on the other hand, you roll over only \$8,000, the \$2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return, you may get a refund of part of the \$2,000 withheld. (However, any refund is likely to be larger if you roll over the entire \$10,000.)

Additional 10% Tax If You Are under Age 59 1/2.

If you receive a payment before you reach age 59 1/2 and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10% of the taxable portion of the payment. The additional 10% tax generally does not apply to (1) payments that are paid after you separate from service with your employer during or after the year you reach age 55, (2) payments that are paid because you retire due to disability, (3) payments that are paid as equal (or almost equal) payments over your life or life expectancy (or your and your beneficiary's lives or life expectancies), (4) payments that are paid directly to the government to satisfy a federal tax levy, (5) payments that are paid to an alternate payee under a qualified domestic relations order, or (6) payments that do not exceed the amount of your deductible medical expenses. See IRS Form 5329 for more information on the additional 10% tax, or (7) payments made after September 11, 2001 and before December 31, 2007 to qualified reservists on active duty for at least 179 days on dependents.

The additional 10% tax will not apply to distributions from a governmental 457(b) plan, except to the extent the distribution is attributable to an amount you rolled over to that plan (adjusted for investment returns) from another type of eligible employer plan or IRA. Any amount rolled over from a governmental 457(b) plan to another type of eligible employer plan or to a traditional IRA will become subject to the additional 10% tax if it is distributed to you before you reach age 59 1/2, unless one of the exceptions applies.

Treatment of Distributions to Certain Qualified Reservists

Distributions made after September 11, 2006 and before December 31, 2007 to qualified reservists on active duty for at least 179 days may be repaid to an IRA at any time within a two-year period after active duty ends. Repayments will not be included in IRA contribution limits. Deductions for these repayments on your annual income tax filing are not allowed.

Special Tax Treatment If You Were Born before January 1, 1936. If you receive a payment from a plan qualified under section 401(a) or a section 403(a) annuity plan that can be rolled over under Part I and you do not roll it over to a traditional IRA or an eligible employer plan, the payment will be taxed in the year you receive it. However, if the payment qualifies as a "lump sum distribution," it may be eligible for special tax treatment. (See also "Employer Stock or Securities", below.) A lump sum distribution is a payment, within one year, of your entire balance under the Plan (and certain other similar plans of the employer) that is payable to you after you have reached age 59 1/2 or because you have separated from service with your employer (or, in the case of a self-employed individual, after you have reached age 59 1/2 or have become disabled). For a payment to be treated as a lump sum distribution, you must have been a participant in the plan for at least five years before the year in which you received the distribution. The special tax treatment for lump sum distributions that may be available to you is described below.

Ten-Year Averaging. If you receive a lump sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using "10-year averaging" (using 1986 tax rates). Ten-year averaging often reduces the tax you owe.

Capital Gain Treatment. If you receive a lump sum distribution and you were born before January 1, 1936, and you were a participant in the Plan before 1974, you may elect to have the part of your payment that is attributable to your pre- 1974 participation in the Plan taxed as long-term capital gain at a rate of 20%. There are other limits on the special tax treatment for lump sum distributions. For example, you can generally elect this special tax treatment only once in your lifetime, and the election applies to all lump sum distributions that you receive in that same year. You may not elect this special tax treatment if you rolled amounts into this Plan from a 403(b) tax-sheltered annuity contract or from an IRA not originally attributable to a qualified employer plan. If you have previously rolled over a distribution from this Plan (or certain other similar plans of the employer), you cannot use this special averaging treatment for later payments from the Plan. If you roll over your payment to a traditional IRA, governmental 457(b) plan, or 403(b) tax-sheltered annuity, you will not be able to use special tax treatment for later payments from that IRA, plan, or annuity. Also, if you roll over only a portion of your payment to a traditional IRA, governmental 457(b) plan, or 403(b) tax-sheltered annuity, this special tax treatment is not available for the rest of the payment. See IRS Form 4972 for additional information on lump sum distributions and how you elect the special tax treatment.

Repayment of Plan Loans. If your employment ends and you have an outstanding loan from your Plan, your employer may reduce (or "offset") your balance in the Plan by the amount of the loan you have not repaid. The amount of your loan offset is treated as a distribution to you at the time of the offset and will be taxed unless you roll over an amount equal to the amount of your loan offset to another qualified employer plan or a traditional IRA within 60 days of the date of the offset. If the amount of your loan offset is the only amount you receive or are treated as having received, no amount will be withheld from it. If you receive other payments of cash or property from the Plan, the 20% withholding amount will be based on the entire amount paid to you, including the amount of the loan offset. The amount withheld will be limited to the amount of other cash or property paid to you (other than any employer securities). The amount of a defaulted plan loan that is a taxable deemed distribution cannot be rolled over.

IV. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES

In general, the rules summarized above that apply to payments to employees also apply to payments to surviving spouses of employees and to spouses or former spouses who are "alternate payees." You are an alternate payee if your interest in the Plan results from a "qualified domestic relations order," which is an order issued by a court, usually in connection with a divorce or legal separation.

If you are a surviving spouse or an alternate payee, you may choose to have a payment that can be rolled over, as described in Part I above, paid in a **DIRECT ROLLOVER** to a traditional IRA or to an eligible employer plan or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to a traditional IRA or to an eligible employer plan. Thus, you have the same choices as the employee.

If you are a beneficiary other than a surviving spouse or an alternate payee, you cannot choose a direct rollover, and you cannot roll over the payment yourself until January 1, 2007. On or after that date, you may choose to directly roll over the assets to an inherited IRA.

If you are a surviving spouse, an alternate payee, or another beneficiary, your payment is generally not subject to the additional 10% tax described in Part III above, even if you are younger than age 59 1/2.

If you are a surviving spouse, an alternate payee, or another beneficiary, you may be able to use the special tax treatment for lump sum distributions and the special rule for payments that include employer stock, as described in Part III above. If you receive a payment because of the employee's death, you may be able to treat the payment as a lump sum distribution if the employee met the appropriate age requirements, whether or not the employee had 5 years of participation in the Plan.

HOW TO OBTAIN ADDITIONAL INFORMATION

This notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The rules described above are complex and contain many conditions and exceptions that are not included in this notice. In addition, this notice does not address other federal or state laws, such as whether, or in what circumstances, retirement plan funds may be available to bankruptcy creditors or in domestic relations matters. Therefore, you may want to consult with the Plan Administrator or a professional tax advisor before you take a payment of your benefits from your Plan or decide to roll them to another arrangement. Also, you can find more specific information on the tax treatment of payments from qualified employer plans in IRS Publication 575, Pension and Annuity Income, and IRS Publication 590, Individual Retirement Arrangements. These publications are available from your local IRS office, on the IRS's Internet Web Site at www.irs.gov, or by calling 1-800-TAX-FORM.

SECTION 2 - 3405 NOTICE

3405 SPECIAL RULES FOR PENSIONS, ANNUITIES, AND CERTAIN OTHER DEFERRED INCOME

If you are receiving a periodic payment from your retirement plan that is not considered an eligible rollover distribution, it will be subject to federal income tax withholding unless you elect not to have withholding apply. Withholding will only apply to the portion of your distribution or withdrawal payment that is considered income, and therefore subject to federal income tax.

You may elect not to have withholding apply to your distribution or withdrawal payments by properly completing, signing, dating and returning to your plan administrator the Form W-4P Withholding Certificate for Pension or Annuity Payments. Your election will remain in effect until you change or revoke it. You may change or revoke your election at any time by returning another completed, signed, and dated Form W-4P to your plan administrator. Any election or revocation will be effective no later than thirty (30) days upon receipt. You may make and revoke your withholding elections as often as you wish. A W-4P form may be obtained from your plan administrator.

If you have not properly filed with your plan administrator a Form W-4 or W-4P, either prior to or after January 1, 2004, then federal income tax will be withheld from the taxable portion of your distribution or withdrawal payments based on a filing status of married, claiming three withholding allowances.

If you elect not to have withholding apply to your distribution or withdrawal payments, or if you do not have enough federal income tax withheld from your distribution or withdrawal payments, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.