

## **DISTRIBUTION OF BENEFITS**

### **A. Eligibility For Benefits**

A distribution can be made to you if you request one due to your retirement or termination of employment from your Employer and any Related Employer. Your Beneficiary or Beneficiaries may request a distribution of your vested Account balance in the event of your death. The value of your Account balance will continue to increase or decrease, as appropriate, based on the investment returns until it is distributed.

You may defer receipt of your distribution until a later date. However, you cannot postpone it if your vested Account balance is \$7,000 or less in which case the Plan Administrator will direct the Trustee that any amount exceeding \$1,000 be distributed to a Fidelity Individual Retirement Account or Annuity ("IRA") for your benefit. If your vested Account balance is \$1,000 or less, the Plan Administrator will direct the Trustee to distribute it to you as a lump sum distribution without your consent. Prior to such distribution you still have the right to request that the amount be distributed directly to you in the form of a lump sum payment or to request that it be rolled-over to a different IRA provider or another retirement plan eligible to receive rollover contributions.

If you fail to request a different treatment of an automatic distribution under the Plan's Cash-Out Provision, your distribution will be paid over to a Fidelity IRA and invested in a product designed to preserve the principal of that distribution while still providing a reasonable rate of return and preserving liquidity. The fees assessed against this newly established IRA by its provider will be paid by the participant.

If you have questions regarding the Plan's automatic rollover rules, the Plan's IRA provider for automatic rollovers, or the fees and expenses applicable to the automatic rollover IRA, please contact the Plan Administrator. Your consent will be required for any distribution if your vested Account balance is greater than \$7,000.

### **B. Distributable Events**

You are eligible to request a distribution of your vested Account balance based on any of the following events:

#### **1. Death**

If you are a Participant in the Plan and die, your vested Account balance, if any, will be paid to your designated Beneficiary or Beneficiaries. You may designate a Beneficiary or Beneficiaries online at [www.401k.com](http://www.401k.com). Alternatively, if you do not wish to designate your Beneficiary online, you may contact the Fidelity at 1-800-835-5095 to obtain a paper form to designate a Beneficiary or Beneficiaries. The designation form must be properly signed and filed with the Plan Administrator. If you are married and want to designate someone other than your spouse as your primary Beneficiary, you must print a form from the website and your spouse must consent to this designation by signing the form. His/ her signature must be witnessed as described on the form.

## **2. Retirement**

You do not have to terminate your employment with your Employer just because you attain your normal retirement age of 65.

## **3. Minimum Required Distributions**

You are required by law to receive a minimum required distribution from the Employer's Plan no later than April 1 of the calendar year following the calendar year you turn 70½ or terminate your employment, whichever is later. Once you start receiving your minimum required distribution, you should receive it at least annually until all assets in your Account are distributed. A fee of \$25.00 will be deducted from your account for each minimum required distribution processed.

## **4. Termination of Employment**

Generally, if you terminate your employment with your Employer and all Related Employers, you may elect to receive a distribution of your vested Account balance from the Plan. Distributions due to termination will generally not be allowed until twenty-five (25) days after your employment termination date in order to allow for any residual payroll adjustments.

## **C. Form of Payments**

### **1. Lump Sum Distributions**

Your entire vested Account balance will be paid to you in a single distribution or other distribution that you elect.

If you are taking a distribution of your entire vested Account balance, you may elect to receive your entire vested Account balance in a combination of cash and, to the extent your Account is invested in company stock, an in-kind distribution of company stock. The taxable portion of your distribution will be subject to the mandatory 20% federal income tax withholding to the extent that cash is available. No taxes are withheld on Stock only in-kind distributions. Stock in-kind can only be taken in conjunction with a Non-rollover distribution or a Direct Rollover distribution.

### **2. Non-rollover Distribution**

Any distribution paid directly to you will be subject to mandatory Federal income tax withholding of 20% of the taxable distribution and the remaining amount will be paid to you. You cannot elect out of this tax withholding but you can avoid it by electing a direct rollover distribution as described below. This withholding is not a penalty but a prepayment of your Federal income taxes.

Subject to certain exceptions (for example, with respect to a distribution of excess Deferral Contributions to Highly Compensated Employees due to nondiscrimination test results), the entire amount of your Account under the Plan attributable to Roth contributions will be distributed to you free from Federal income tax (including the earnings portion) if the distribution occurs after the five taxable year period beginning with the first taxable year you made a designated Roth contribution to the Plan (or to a plan you previously participated in, if earlier, if amounts attributable to those previous Roth contributions were directly rolled over to this Plan), provided the distribution is also made:

- On or after you attain age 59 ½ or
- To your beneficiary (or estate) on or after your death; or
- Pursuant to your being disabled.

For example, if you made your first Roth contribution held within the Plan (or another qualified plan, as described in the Rollover Contributions section above) during July, 2006, attained age 59-1/2 on January 1, 2011 and were eligible for a distribution on January 3, 2011, the portion of your distribution attributable to Roth contributions would not be subject to Federal income tax upon distribution on January 3, 2011.

You may rollover the taxable distribution you receive to an Individual Retirement Account (IRA) or your new employer's qualified plan, if it accepts rollover contributions and you roll over this distribution within 60 days after receipt. You will not be taxed on any amounts timely rolled over into the IRA or your new employer's qualified Plan until those amounts are later distributed to you. Any amounts not rolled over may also be subject to certain early withdrawal penalties prescribed under the Internal Revenue Code.

### **3. Direct Rollover Distribution**

You may request that your entire distribution be rolled directly into a Fidelity IRA, a non-Fidelity IRA or to your new employer's qualified plan if it accepts rollover contributions. Federal income taxes will not be withheld on any direct rollover distribution.

When you call the Fidelity Retirement Benefits Line to take a withdrawal, you will be asked whether you will be rolling over any part of your distribution. If you wish to have any part of your distribution rolled over to an IRA or another qualified plan, you will need to speak to a Fidelity representative.

- a. Rollover to Fidelity IRA** - Once you have set up a Fidelity Rollover IRA account, you may request that your vested Account balance be transferred to that account.
- b. Rollover to Non-Fidelity IRA** - A check will be issued by the Trustee payable to the IRA custodian or trustee for your benefit. The check will contain the notation 'Direct Rollover' and it will be mailed directly to you. You will be responsible for forwarding it on to the custodian or trustee.
- c. Rollover to your New Employer's Qualified Plan** – You should check with your new employer to determine if its plan will accept rollover contributions. If allowed, then a check will be issued by the Trustee payable to the trustee of your new employer's qualified plan. The check will contain the notation 'Direct Rollover' and it will be mailed directly to you. You will be responsible for forwarding it on to the new trustee.

### **4. Combination Non-rollover Distribution and Direct Rollover Distribution**

You may request that part of your distribution be paid directly to you and the balance rolled into an IRA, your new employer's retirement plan, or a 403(a) annuity.

You will pay income tax on the amount of any taxable distribution you receive from the Plan unless it is rolled into an IRA or your new employer's qualified Plan. A 10% IRS premature distribution penalty tax may also apply to your taxable distribution unless it is rolled into an IRA or another qualified plan. The 20% Federal income tax withheld under this section may

not cover your entire income tax liability. In the case of a combination distribution, if any portion of the eligible rollover distribution consists of after-tax contributions, the amount paid directly to you will be considered to consist completely of after-tax contributions before any after-tax contributions are attributed to the portion paid as a direct rollover. Consult with your tax advisor for further details.

## **5. Partial Withdrawals following Termination of Employment**

Withdrawals of any portion of your vested balance will be available to you after you have terminated your employment.

## **6. Installment Distributions**

Your vested Account balance will be paid to you in substantially equal amounts over a period of time. You may elect annual or more frequent installments. You may elect to receive a lump sum distribution after you start to receive installment distributions, by completing the appropriate documentation. The direct rollover distribution rules referred to in the lump sum distribution section also apply to installment distributions.