



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Payment Election Form  
Part 1**

Participant Name: \_\_\_\_\_

Social Security No.: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Phone No.: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Former Employer: \_\_\_\_\_

**BENEFIT ELECTION** - Choose **One** of the following:

**A. CASH DISTRIBUTION**

- Pay** my distribution to me in **Cash** of my entire account. I realize that my distribution will be subject to 20% federal income tax withholding if my distribution exceeds \$200.

**B. FULL ROLLOVER**

- Direct Rollover** of my **entire account balance** (your distribution must be at least \$200). Complete the attached Rollover Information Form on page 6 of 15.

**C. CASH DISTRIBUTION/ ROLLOVER For Account Balances under \$20,000**

- A partial rollover of \$ \_\_\_\_\_ to the IRA or other retirement plan designated on the rollover information form (pg. 6) and the remaining balance payable to me in **Cash**. I realize that the cash portion of my distribution will be subject to 20% federal income tax withholding if it exceeds \$200.

**IF YOU WOULD LIKE YOUR MONEY DIRECTLY DEPOSITED TO YOUR BANK, PLEASE ATTACH A  
VOIDED CHECK.**



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Payment Election Form  
Part 2**

**D. CASH DISTRIBUTION/ ROLLOVER For Account Balances of \$20,000 or more**

**Cash and/or Direct Rollover**

\$\_\_\_\_\_ payable to me in **Cash**. I realize that this portion of my distribution will be subject to 20% federal income tax withholding if it exceeds \$200

**And/Or**

a **Direct Rollover** of \_\_\_\_\_ (your **Rollover** must be at least \$200). Complete the attached Rollover Information Form on page 6 of 15.

**Periodic Payments:** (complete 1 and 2 below)

(For those who select periodic payments please keep in mind that your process may take more than 15 business days to complete. Please submit the forms before the 12<sup>th</sup> day of the month in order to receive your distribution the following month.)

**1. Frequency - Choose One of the following:**

- Monthly     Quarterly     Semiannually     Annually

**2. Amount-** (choose "a" or "b")

a.  I would like to receive \$ \_\_\_\_\_ per payment.  
(\$500.00 Minimum)

b.  I would like to receive \_\_\_\_\_ payments.

(This option must generate payments of \$500.00 or more. If it does not, the frequency of your payments will be decreased as necessary.)

**The Periodic Payment option requires that you complete the W-4P form (attached). Marital status and withholding information must be completed. If the box on line 1 of the W-4P is checked, the mandatory 20% tax withholding will still be withheld.**

E.  I choose my distribution to be paid to me as a Life Annuity payable during my lifetime.

F.  I choose my distribution to be paid to me as a Joint and Survivor Annuity payable during my lifetime with a portion of my monthly benefit amount being paid to my designated joint annuitant after my death.

Elect portion of monthly benefit to be paid to your joint annuitant after your death.

- 50%     75%     100%

**IF YOU WOULD LIKE YOUR MONEY DIRECTLY DEPOSITED TO YOUR BANK, PLEASE ATTACH A VOIDED CHECK.**



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Payment Election Form  
Part 3**

You must indicate if you would like to waive the 30-day waiting period prior to receiving your distribution. You must indicate that you **Waive** below in order to receive you distribution as soon as possible. Selecting waive indicates that you are waiving the *waiting period*. This does not affect the processing time.

I choose to:     **Waive**         **Not to Waive**        the 30-Day Notice Requirement.

I hereby certify that I have received a copy of the Instructions to Participants and the Special Tax Notice Regarding Plan Payments.

Social Security No.: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**PLEASE NOTE THAT IT MAY TAKE UP TO 30 DAYS TO COMPLETE YOUR DISTRIBUTION REQUEST AFTER WE HAVE RECEIVED ALL APPROPRIATE DOCUMENTS.**

**\*\*\*\*\* To Be Completed By Personnel/Payroll Department of Your Prior Employer \*\*\*\*\***

Please provide GEBCorp with the following information for this participant:

Date of Hire: \_\_\_\_\_

Date of Termination: \_\_\_\_\_

Last Payroll Date: \_\_\_\_\_

Last Contribution Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**Return completed forms to:  
GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339  
Attn: Administration  
or  
Fax (770) 563-9356**

**Phone (770) 952-5225 or (800) 736-7166**



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Instructions to Participants  
Part 1**

Attached are your Election Forms and an explanation of your options upon distribution. The forms must be completed fully before you receive payment of your benefit. The first form is a Payment Election Form. The second is a Rollover Information Form.

The description of your distribution is based on the Internal Revenue Service Regulations currently in effect. Please consult your plan representative or tax advisor prior to taking any action. You may order Publication 575 from the IRS for additional information on your distribution.

**A. Cash Distribution**

Check Box A if you want your distribution in cash. Income taxes at the rate of 20% will automatically be withheld if your distribution is at least \$200. If you would like your money directly deposited to your bank, please attach a voided check.

**B. Full Rollover**

Check Box B if you wish a direct rollover of your account and your distribution is greater than \$200. You must complete the Rollover Information Form. If you do not fill in an address for your Trustee, you will receive a check made payable to the trustee of your IRA or plan. It will then be your responsibility to deliver the check to the trustee.

**C. Cash Distribution/ Rollover for Account balances under \$20,000**

Check Box C if you want a portion of your distribution to be rolled over, with the remaining balance payable to you in cash.

You must complete the Rollover Information Form. If you do not fill in an address for your Trustee, you will receive a check made payable to the trustee of your IRA or plan. It will then be your responsibility to deliver the check to the trustee.

Income taxes at the rate of 20% will automatically be withheld from the cash portion of your distribution if it is at least \$200.

**D. Cash Distribution/ Rollover for Account balances of \$20,000 or more**

**Cash and/or Direct Deposit**

Check this box if you want to do any of the following:

- Take part or all of your account balance in cash. You are not required to rollover the remaining balance.
- Take part of your distribution in cash, and rollover the remaining balance.
- Rollover a portion of your account balance.

Income taxes at the rate of 20% will automatically be withheld from the cash portion of your distribution if it is at least \$200.

Any rollover amount must be at least \$200.00 and you must complete the Rollover Information Form. If you do not fill in an address for your Trustee, you will receive a check made payable to the trustee of your IRA or plan. It will then be your responsibility to deliver the check to the trustee.



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Instructions to Participants  
Part 2**

**Periodic Payments**

Check this box if you want your distribution in cash installments. The installments can be paid monthly, quarterly, semiannually or annually over a number of years. You may receive a specific dollar amount per month. Contact your plan representative for additional information regarding Special Rules for Installment Payments. Please complete the W-4P form that is attached to the packet.

**E. Life Annuity**

Check Box E if you want your distribution as a life annuity. You will receive a monthly benefit payable during your lifetime. Such payments will be made through an annuity contract purchased with your account balance.

**F. Joint and Survivor Annuity**

Check Box F if you want your distribution as a joint and survivor annuity. You will receive a monthly benefit payable during your lifetime and a percentage of the benefit will continue to be paid after your death to your joint annuitant (designated by you). You have to elect what percentage of the benefit you want paid to your joint annuitant (50%, 75%, or 100%). Such payments will be made through an annuity contract purchased with your account balance.

**Plan Distributions  
Instructions to Participants  
Part 3**

Participants who receive a distribution under this plan may waive the 30-day notice requirement. **You are not required to waive this notice.** If the notice is not waived, you will receive your distribution no sooner than 30 days after the execution date of the Payment Election Form.

**After you elect the form of payment and indicate if you waive the 30-day notice requirement, your form should be forwarded to your former employer's human resources department for the bottom portion of the form to be completed.**

**You will receive a Form 1099-R attached to your check. Please keep this form since you will need it to file your taxes for the year in which you received your distribution. If you elected a Rollover, the Form 1099-R will be sent to you at the same time that your distribution is sent to your Rollover Institution.**



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Rollover Information Form**

Complete this form if you wish a direct rollover to an IRA or another Plan.

Participant Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Rollover Election (Elect **ONE** of the following: )

A.  **IRA Rollover Account**

B.  **Plan Rollover**

Name of IRA Trustee/Custodian (or) Name of Plan:

\_\_\_\_\_

Account Number if Applicable: \_\_\_\_\_

Address: \_\_\_\_\_

Street

\_\_\_\_\_

City

State

Zip Code

Contact Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

If you do not fill in an address, you will receive a check made payable to the trustee of your IRA or plan. It will then be your responsibility to deliver the check.

Pursuant to the Payment Election Form, I do hereby attest that the above IRA Trustee or Plan will be the recipient of my distribution.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Special Tax Notice Regarding Plan Payments**

This notice explains how you can continue to defer federal income tax on your retirement savings in the ACCG Defined Contribution 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 former employer (your "Plan Administrator") 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, Roth 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 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).

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 after-tax 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 Roth IRA split your rollover amount between the employer plan in which you will participate and a traditional or Roth 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's Third Party Administrator at (800) 736-7166.



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Special Tax Notice Regarding Plan Payments**

**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 or Roth 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, Roth IRA, or to an eligible employer plan that accepts your rollover. Your payment cannot be rolled over to a, 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, Roth 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 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, Roth 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, Roth IRA, or the eligible employer plan.
- If you want to roll over 100% of the payment to a traditional IRA, Roth IRA, or an eligible employer plan, **you must find other money to 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.



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Special Tax Notice Regarding Plan Payments**

**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. 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 Rollovers
- III. Payments Made 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, Roth IRA, or to an eligible employer plan that accepts rollovers. Payments from a plan cannot be rolled over to a, 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.

**AfterTax Contributions:** If you made after-tax contributions to the Plan, these contributions may be rolled into either a traditional IRA, Roth 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.

**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Special Tax Notice Regarding Plan Payments**

**I. Payments That Can and Cannot Be Rolled Over (continued)**

- b. **Rollover 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.

- c. **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 or Roth IRA and then roll over that amount into an employer plan.



## ACCG 457 Deferred Compensation Plan Plan Distributions Special Tax Notice Regarding Plan Payments

The following types of payments **Cannot** be rolled over:

**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.

**Corrective Distributions:** A distribution that is made to correct a failed nondiscrimination test or because legal limits on certain contributions were exceeded cannot be rolled over.

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

### II. Direct Rollovers

A Direct Rollover is a direct payment of the amount of your Plan benefits to a traditional IRA, Roth 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, Roth 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 or Roth 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.

**Change in Tax Treatment resulting from a Direct Rollover:** The tax treatment of any payment from the eligible employer plan, traditional IRA, or Roth 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 or Roth 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."



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Special Tax Notice Regarding Plan Payments**

**III. Payments Made 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, Roth 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 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, 10% 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, Roth 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, Roth 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, Roth 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 find other money within the 60-day period to contribute to the traditional IRA, Roth IRA, or the eligible employer plan, to replace the 20% that was withheld. 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

**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Special Tax Notice Regarding Plan Payments**

**III. Payments Made To You (Continued)**

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 find \$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, Roth IRA or an eligible employer plan. If you roll over the entire \$10,000, when you file your income tax return you may get a refund of part or all 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) dividends paid with respect to stock by an employee stock ownership plan (ESOP) as described in Code section 404(k), (5) payments that are paid directly to the government to satisfy a federal tax levy, (6) payments that are paid to an alternate payee under a qualified domestic relations order, or (7) payments that do not exceed the amount of your deductible medical expenses. See IRS Form 5329 for more information on the additional 10% tax.

The additional 10% tax will not apply to distributions from a governmental 457 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 plan to another type of eligible employer plan or to a traditional or Roth 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.

**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, Roth 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.



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Special Tax Notice Regarding Plan Payments**

**III. Payments Made To You (Continued)**

**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 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 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.



**ACCG 457 Deferred Compensation Plan  
Plan Distributions  
Special Tax Notice Regarding Plan Payments**

**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.

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 59 ½ 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 70 ½.

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 70 ½.

**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.

**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. 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. 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](http://www.irs.gov), or by calling 1-800-TAX-FORMS.