

Max Saver
4 Manhattanville Road
Purchase, NY 10577



November 11, 2011

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4 Manhattanville Road
Purchase, NY 10577

Re: ABC Company Pension Plan

Dear Max Saver:

We have been notified that you are retiring from ABC Company and you are eligible to receive pension payments from the ABC Company Pension Plan ("Pension Plan").

Your Retirement Benefit Application form is enclosed. The form shows all the benefit payment options you may choose from to best fit your retirement income needs. If you are married, the Pension Plan is legally obligated to pay your benefit as a 50% Joint & Survivor Annuity, with your spouse as the beneficiary. If you elect a different benefit payment option or you choose a beneficiary other than your spouse, your spouse must consent to this election in Section G of the form and the consent must be notarized.

Please take your time and make the benefit payment election that will best fit your financial needs. You may change your benefit payment election up until the time the first benefit payment is made to you. If you delay your benefit payment election beyond 180 days, under the law, the calculations presented in the Retirement Benefit Application form will expire and you will need to request a new calculation and form. Also, if your plan has a lump sum option, interest rates change each calendar year and your lump sum benefit may go up or down as a result. If you want to defer receipt of your benefit, do not return the form. However, keep this information and contact us at least three (3) months before you want payments to begin.

Once you have completed the form and signed where indicated, return it to us with the documentation indicated in Section J of the form. For your convenience, we have included an envelope. Do not forget, if you have elected a benefit payment that requires your spouse's consent, Section G will have to be signed by your spouse and notarized.

If you elect an annuity form of benefit, your Pension Plan benefit will normally be paid on the first day of each month. Your first payment will be processed as soon as possible and may include additional amounts that are due to you. Look for the Diversified logo on your pension check or your direct deposit advice.

If you have any questions regarding your retirement benefit election, please contact a Diversified Retirement Counselor at 800-755-5801 between 8:00 AM and 8:00 PM (EST).

Diversified

Enclosures: Retirement Benefit Application Checklist
Retirement Benefit Application Form

Retirement Benefit Application Checklist

INSTRUCTIONS:

- Please follow the checklist to review and complete all the form sections A-J.
- All the pages of the application must be returned to Diversified in the enclosed envelope.

Application Section	Your Action
A	<input type="checkbox"/> Verify Company and Plan Information. Please call 800-755-5801 to request a new form, if the information listed is inaccurate
B	<input type="checkbox"/> Verify your Personal Information and correct as appropriate <input type="checkbox"/> Fill out your Social Security Number <input type="checkbox"/> Fill out your Email Address for electronic confirmation of your Direct Deposit and receipt of electronic Retiree Welcome Kit
C	<input type="checkbox"/> If you have designated a beneficiary and his/her date of birth appears on the form, fill out the indicative information for your beneficiary <input type="checkbox"/> If you have not designated a beneficiary, please call 800-755-5801 to designate
D	<input type="checkbox"/> Review explanation of the Qualified Joint and Survivor Annuity
E	<input type="checkbox"/> Select <u>only 1 form</u> of benefit payment option
F	<input type="checkbox"/> If you have elected an Annuity payment option in Section E, fill out the tax withholding information <input type="checkbox"/> Fill out Direct Deposit Information for an electronic transfer of funds sent directly to your bank account. To elect direct deposit to a checking account, please attach a copy of a voided check. If a voided check is not attached, Diversified will mail a check by standard post office delivery. <input type="checkbox"/> If you have elected a Lump Sum payment option in Section E, fill out the IRA Rollover information otherwise we will withhold 20% from your distribution. Note: Diversified provides rollover options to facilitate your continued tax deferred savings. If you are interested in rolling your benefit to a Diversified IRA please call 800-755-5801
G	<input type="checkbox"/> If you elected a Joint & Survivor form of benefit in Section E with someone other than your spouse, sign and notarize Waiver and Spousal Consent
H	<input type="checkbox"/> Select if you are subject to the terms of a Qualified Domestic Relations Order from this plan
I	<input type="checkbox"/> Review, Sign and Date
J	<input type="checkbox"/> Enclose <i>one</i> of the following documents certified by a notary for proof of your age: <ul style="list-style-type: none"> - Certified copy of birth certificate - Certified copy of passport - Certified copy of armed services discharge papers <input type="checkbox"/> If you are married, enclose <i>one</i> of the following documents certified by a notary for proof of your marriage: <ul style="list-style-type: none"> - Certified copy of marriage certificate - Certified affidavit of marriage <input type="checkbox"/> If you elected a Joint & Survivor form of benefit in Section E, enclose <i>one</i> of the following documents certified by a notary for proof of the age of your beneficiary: <ul style="list-style-type: none"> - Certified copy of your beneficiary's birth certificate - Certified copy of beneficiary passport - Certified copy of beneficiary armed services discharge papers <input type="checkbox"/> If the documents enclosed are not written in English, you must include a notarized copy that has been translated into English

SECTION E: Forms of Benefit (Elect only one benefit payment option.)

Please review the benefit amounts and forms of benefit below. Place an "X" in the box for the form of payment you wish to choose.

- Single Life Annuity** (*Standard form of payment if you are not married and do not elect an optional form of benefit*) I elect to receive **\$1,052.50** per month for the remainder of my life. When I die, payments will stop. If I am married, my spouse has consented to this election by completing Section G.
- Relative Value:** IRS Regulations require that we show you the "relative value" of each payment option below as a percent of the Single Life Annuity. This demonstrates the expected "value" of the benefit payment options. The Single Life Annuity is given a value of 100%. To calculate the value of the Lump Sum Payment we used an interest rate of **5.50%** and life expectancy assumptions. The actual difference in the value of the payment methods will depend on how long you (and, if appropriate, your beneficiary) lives. See below for the "value" of each benefit payment option compared to the Single Life Annuity. Because each person's circumstances are unique, a benefit election should not be made solely on the relative value of that election.
- 5 Year Certain & Life Annuity** I elect to receive **\$978.52** per month for the remainder of my life, with the first 60 monthly payments guaranteed. If I die before I receive 60 monthly payments, the remainder of the 60 payments will be made to my beneficiary or estate. If I am married, my spouse has consented to this election by completing Section G. The relative value of this benefit to the Single Life Annuity is **99%**. If you wish to designate a beneficiary other than the beneficiary listed in Section C, please correct the information in Section C.
- 10 Year Certain & Life Annuity** I elect to receive **\$960.40** per month for the remainder of my life, with the first 120 monthly payments guaranteed. If I die before I receive 120 monthly payments, the remainder of the 120 payments will be made to my beneficiary or estate. If I am married, my spouse has consented to this election by completing Section G. The relative value of this benefit to the Single Life Annuity is **99%**. If you wish to designate a beneficiary other than the beneficiary listed in Section C, please correct the information in Section C.
- 15 Year Certain & Life Annuity** I elect to receive **\$930.75** per month for the remainder of my life, with the first 180 monthly payments guaranteed. If I die before I receive 180 monthly payments, the remainder of the 180 payments will be made to my beneficiary or estate. If I am married, my spouse has consented to this election by completing Section G. The relative value of this benefit to the Single Life Annuity is **98%**. If you wish to designate a beneficiary other than the beneficiary listed in Section C, please correct the information in Section C.
- 50% Joint & Survivor Annuity (Qualified Joint and Survivor Annuity)** (*Standard form of payment if you are married and do not elect an optional form of benefit*) I elect to receive **\$805.54** per month for the remainder of my life. After my death, if my beneficiary survives me, payments of **\$402.77** per month will be made for the remainder of (her/his) life. If I am married, and my spouse is not the beneficiary, my spouse has consented to this election by completing Section G. The relative value of this benefit to the Single Life Annuity is **99%**. A beneficiary's date of birth is needed to calculate this option. If you wish to designate a beneficiary other than the beneficiary listed in Section C, please contact a Diversified Retirement Counselor at (800) 755-5801 and a new Application will be issued.
- 66 2/3% Joint & Survivor Annuity** I elect to receive **\$763.23** per month for the remainder of my life. After my death, if my beneficiary survives me, payments of **\$508.85** per month will be made for the remainder of (her/his) life. If I am married, and my spouse is not the beneficiary, my spouse has consented to this election by completing Section G. The relative value of this benefit to the Single Life Annuity is **98%**. A beneficiary's date of birth is needed to calculate this option. If you wish to designate a beneficiary other than the beneficiary listed in Section C, please contact a Diversified Retirement Counselor at (800) 755-5801 and a new Application will be issued.
- 100% Joint and Survivor Annuity** I elect to receive **\$692.97** per month for the remainder of my life. After my death, if my beneficiary survives me, payments of **\$692.97** per month will be made for the remainder of (her/his) life. If I am married, and my spouse is not the beneficiary, my spouse has consented to this election by completing Section G. The relative value of this benefit to the Single Life Annuity is **98%**. A beneficiary's date of birth is needed to calculate this option. If you wish to designate a beneficiary other than the beneficiary listed in Section C, please contact a Diversified Retirement Counselor at (800) 755-5801 and a new Application will be issued.

SECTION F: Payment Distribution Options

Part A – To be completed if you elected a MONTHLY ANNUITY option:

If you do not elect otherwise, federal income taxes will be withheld from your benefit payment based on a filing status of married with three exemptions.

- Withhold federal tax based on the following: Married Married but withhold at single rate Single
Number of exemptions: _____
- Withhold additional federal tax in a flat dollar amount of \$ _____
- Do not withhold federal tax

Some states have mandatory tax withholding. Other states allow withholding election. If state tax is withheld, it will be on the same basis as federal taxes. For states without mandatory withholding: Withhold state income tax
 Do not withhold state tax
State Tax Jurisdiction: _____

Direct Deposit

Deposit my retirement benefit payment(s) directly into my bank account as follows:

- Savings account Checking account (attach voided check)

Transit / ABA number: _____
Account number: _____
Bank name: _____
Bank address: _____
Name on account: _____

I will notify Diversified immediately should any of this information change.

SECTION G: Qualified Joint and Survivor Annuity Waiver and Spousal Consent

If you are not married, skip to Section H.

Part A – To be completed by Participant (if applicable)

I, (Participant's Name) _____, do hereby elect to waive the Qualified Joint and Survivor Annuity benefit, and instead elect the following form of benefit (from Section E):

(Fill in Form of Benefit You Have Elected) _____

I fully understand that I cannot waive the Qualified Joint and Survivor Annuity benefit unless I obtain the signed, written consent of my spouse, witnessed by a notary public (*see below*).

I hereby designate:

Name of Non-Spouse Beneficiary

as beneficiary instead of my spouse for any death benefit which may be provided under the alternate form of benefit I elected above. I understand that my spouse must consent to my designation of the non-spouse beneficiary named above. Additional information regarding my beneficiary election is in Section C.

X _____
Participant's Signature Date

Part B – To be completed by Participant's Spouse (if applicable)

I, (Name of Participant's Spouse) _____, do hereby consent to my spouse's waiver of the Qualified Joint and Survivor Annuity benefit. I understand that such consent means I may not receive any benefits upon his/her death, depending on the benefit option my spouse elected and whether my spouse lists me as the beneficiary. I understand that if I do not consent, I will be the beneficiary of a survivor annuity. I further understand that the designated beneficiary may be entitled to receive a death benefit under the benefit option which has been elected by my spouse:

(Fill in Form of Benefit Elected) _____

I acknowledge and consent to my spouse's designation of:

Name of Non-Spouse Beneficiary

As beneficiary for any death benefit which may be provided under the benefit option elected by my spouse (as indicated above). I understand that my consent is irrevocable unless my spouse changes his/her beneficiary designation or the benefit option elected (prior to the date his/her benefits start), in which event(s), my spouse must obtain my written consent to such change(s).

X _____
Spouse's Signature Date

WITNESSED BY:

X _____
Notary Public Signature Date

My commission expires: _____ (SEAL)

Note: This form is valid only if signed during the 180 day period before the benefit starting date indicated in Section B.

SECTION H: Qualified Domestic Relations Order (QDRO)

I am not **I am** subject to the terms of a Qualified Domestic Relations Order.

If you are required to pay a portion of your pension benefit to another person (usually in the case of divorce) and a QDRO is later discovered, you may forfeit a portion of your benefit until the person entitled to your benefit has received his or her full share of the benefit.

SECTION I: Participant's Signature

By my signature below, I agree that I have read the Explanation of the Qualified Joint and Survivor Annuity on the preceding pages. I understand that if I am married my benefit will automatically be paid in the form of a 50% Joint and Survivor Annuity unless I elect one of the other benefit options indicated and my spouse and I complete the Qualified Joint and Survivor Annuity Waiver and Spousal Consent Section of this Form. I also understand that I may, with my spouse's consent, change my form of benefit election by submitting to Diversified another completed copy of this Form or any similar form. I understand that changes may not be made after my Benefit Starting Date and/or after I have started to receive benefits. In addition, I am electing the benefit option indicated and understand that this election supersedes any previous benefit elections. I also understand that unless I elect otherwise, Diversified will deduct required federal and state tax withholding and that appropriate amounts will be deducted from each payment. Finally, I understand that the amount paid to me may change based on changes in my compensation, termination date, or changes in my or my joint annuitant's date of birth.

I certify, under penalty of perjury, that the information provided in this Application is true and accurate. I understand that I have a right to review the materials provided for 30 days. By completing and returning this Application to Diversified prior to the end of the 30 day period, I am waiving my right to such 30 day review period.

X _____
Participant's Signature

_____ Date

SECTION J: Additional Documents

In order to process this Application, we must have the following documents certified by a notary:

- **A certified copy of your birth certificate, passport or armed services discharge papers.**

Enclosed is:

- Copy of birth certificate Copy of passport Copy of armed services discharge papers

- **If you elected a Joint & Survivor form of benefit, a certified copy of your spouse's or beneficiary's birth certificate, passport, or armed services discharge papers.**

Enclosed is:

- Copy of birth certificate Copy of passport Copy of armed services discharge papers

- **If you are married, proof of marriage.**

Enclosed is:

- Copy of marriage certificate Affidavit of marriage (call for sample)

- **If the documents above are not written in English, you must include a notarized copy that has been translated into English.**

For Diversified use only

Verify Termination Date:

FEN:

Calculation Number:

Form 1099R distribution code: 2 – Early Retirement 3 – Disability 4 – Death 7 – Normal Retirement