This form is used to request an inservice withdrawal. A Distribution Election Form must also be used to process the distribution.

I. WITHDRAWAL TYPE.

[ ] Hardship.

Immediate and Heavy Financial Need. I claim that the following reasons require a hardship withdrawal:

[ ] Expenses incurred or necessary for medical care for me, my spouse, children, dependents or primary beneficiary;

[ ] The purchase (excluding mortgage payments) of my principal residence;

[ ] Payment of tuition and related educational fees for the next 12 months of post-secondary education for me, my spouse, children, dependents or primary beneficiary;

[ ] The need to prevent eviction from or mortgage foreclosure on my personal residence;

[ ] Payments for burial or funeral expenses for my deceased parent, spouse, children, dependents or primary beneficiary; or

[ ] Expenses for the repair of damage to my principal residence that would qualify for the casualty deduction.

Amount Necessary to Satisfy Need. I certify that:

I have obtained all distributions, other than hardship distributions, and all nontaxable loans under all plans;

If I am eligible to make Elective Deferrals (or after-tax contributions, if any) under any plan sponsored by my employer, I will not make such contributions for six (6) months after the receipt of the hardship distribution; and

The distribution is not in excess of the amount of an immediate and heavy financial need (including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution).

Note: For purposes of this request, a need cannot reasonably be relieved by one of the actions listed above if the effect would be to increase the amount of the need. For example, the need for funds to
purchase a principal residence cannot reasonably be relieved by a plan loan if the loan would disqualify the employee from obtaining other necessary financing.

I wish to withdraw the following amount:

[ ] The maximum amount available to me.

[ ] $__________ (Certain restrictions may not allow you to withdraw the full amount requested.)

[ ] Withdrawals after Age 65.

I hereby certify that I am at least age 65 and request a withdrawal from my Account for that reason.

I wish to withdraw the following amount:

[ ] The maximum amount available to me.

[ ] $__________ (Certain restrictions may not allow you to withdraw the full amount requested.)

II. SIGNATURES

I hereby request a withdrawal as indicated under Section I. I hereby certify that the information above has been examined by me and that the information contained on this form is, to the best of my knowledge, accurate. I agree to provide any additional information that may be necessary to process my request. I have received a "YOUR ROLLOVER OPTIONS" form which explains the tax consequences of the inservice distribution.

Dated __________________________, 20____.

________________________________
Participant's Signature

As Plan Administrator, I hereby authorize the above withdrawal.

________________________________ _______
Plan Administrator's Signature    Date

Return all forms to:
Pension Plan Consultants LLC
1000 Germantown Pike    Ste H-1
Plymouth Meeting, PA 19462
Or Fax Toll free to (877) 626-7576
Please check the reason for the distribution:

[ ] Termination, Retirement, Death or Disability - Date: _____________
[ ] Inservice
[ ] QDRO
[ ] Required Minimum Distributions
(If Inservice or QDRO, please attach a completed Inservice Withdrawal Request Form or a Qualified Domestic Relations Order Checklist)

I. FORM OF PAYMENT

Note: This section should only be completed after consultation with your personal tax advisor.

I have received a "Your Rollover Options" handout which explains the tax consequences of, and the direct rollover option available with respect to, the distribution of my vested account balance under the Blue Mountain Health System Pension Plan (the "Plan"). I understand I have the right to defer distribution of my account if my account balance is greater than $5,000 (see Section III. below) until I attain age 70-1/2 and I have the right to consider the information provided in that notice for a period of at least 30 days.

If your account balance is greater than the amount specified in the preceding paragraph, please note the investment options available under the Plan may not be available to you on similar terms outside the plan. For more information about the investment options that may be available to you under the Plan if you do defer a distribution of your account please contact the Plan Administrator, Blue Mountain HR Department, at Blue Mountain Health System, 211 North 12th Street, Lehighton, PA 18235-1138 (610 377-7360). Please refer to the Summary Plan Description (particularly the sections entitled "VESTING-Forfeitures", "DISTRIBUTIONS", "INVESTMENTS", "MISCELLANEOUS-Loss of Benefit" and MISCELLANEOUS-Fees) for any special rules that might affect your decision to defer payment. Please note that your account may be distributed without your consent if your account falls below the amount specified in the preceding paragraph.

Before taking a distribution, you should compare the expenses associated with leaving your funds in the Plan with the expenses associated with investing the funds in alternative retirement plans such as your new employer's plan or an IRA. In some cases the Plan may offer an investment vehicle that provides lower fees than is available to you in an IRA or other retirement plan. Alternatively, your new employer's plan may provide lower fees for comparable investments, particularly if your new employer's plan is significantly larger than the Plan. In addition, you should compare the investment options available to you in the Plan with the options available to you in alternative retirement plans. Keep in mind that the Plan Administrator may change at any time the manner in which expenses are
allocated to your account as well as the investments offered in the Plan. In addition, the fees associated with investments offered in the Plan are also subject to change at any time.

I hereby elect to have my vested account balance paid in the following manner and, to the extent distribution can be made prior to the expiration of 30 days from the date I received the notice of my rights, I waive my right to consider the contents of that notice for 30 days and consent to the distribution of my benefit as soon as administratively feasible. Please distribute the benefit as follows: (Please note that Hardship distributions may not be rolled over)

( ) A. Rollover to ( ) IRA ( ) Eligible Retirement Plan

IRA Financial Institution or Retirement Plan Name: ____________________________

Address: ____________________________

City, State, Zip: ____________________________

Contact Name: ____________________________

Contact Phone Number: ____________________________

Account Number: ____________________________

Amount to be rolled over:

( ) 1. All of my account balance.

( ) 2. ____________________________. (Enter a $ amount or %)

( ) B. The balance (after any rollover in A) to be paid to me in the following manner (if your vested account balance is less than $5,000, your balance will be paid in a single lump sum):

( ) in a single lump sum payment.

( ) in the following manner ____________________________.

( ) the Plan Administrator will purchase a non-transferable annuity and distribute the contract to me. I understand that the terms of the annuity contract will comply with the provisions of the Plan.

( ) Required Minimum Distributions.

IF THE REASON FOR DISTRIBUTION IS AN INSERVICE WITHDRAWAL YOU MAY ONLY RECEIVE YOUR WITHDRAWAL IN A SINGLE SUM CASH DISTRIBUTION
II. WITHHOLDING

A. If an "eligible rollover distribution" is not rolled over to an IRA or another eligible retirement plan, it will be subject to 20% federal income tax withholding. If you an additional amount above 20% withheld _________% 

B. A distributee who will receive a payment which is not an "eligible rollover distribution" generally must complete the attached Form W-4P. The "Your Rollover Options" handout describes payments which are not eligible rollover distributions.

C. No withholding is required if the distribution is less than $200.

III. ELECTION TO CONTINUE TO DEFER

[ ] I do not wish to take my distribution at this time. I will notify you when I wish to receive my distribution.
IV. SIGNATURES

I hereby consent to the distribution requested on this form. I understand that if I do not roll over this distribution that a 10% penalty tax may apply unless I am at least 59-1/2 years old (or some other exception to the tax applies). If I am requesting that a portion of my distributions be rolled over, I hereby certify that the IRA or plan identified above is an "eligible retirement plan" authorized to accept the direct rollover I have specified and that it will accept a direct rollover of my Plan distribution. I understand that a rollover to a Roth IRA may be subject to taxation.

I certify under penalties of perjury that all information provided by me is true and accurate, and that the Plan Administrator, Plan TPA and/or Plan Sponsor have given no tax advice to me and that all decisions regarding this withdrawal are my own. I expressly assume the responsibility for any adverse consequences which may arise from this withdrawal and I agree that the Plan Administrator, TPA and/or Plan Sponsor in no way be responsible for those consequences. I also hereby acknowledge receipt and review of the Notice of Special Tax Rules on Distributions IRC Sec 402(f) concerning my distribution payout. I hereby request payment from the Plan in the manner indicated on this form. I also acknowledge that Pension Plan Consultants charges $35.00 per distribution and Aspire charges $50.00 for 1099R and other tax filings. Additional periodic payments will be charged $10.00 per distribution.

Participant's Signature ____________________________ Date ____________

If you would like Electronic Funds Transfer for your distribution, please complete the information below (any transfer fee will be deducted from your account):

Bank name ____________________________
Address ____________________________
Bank Phone #: ____________________________
Bank ABA Routing # (nine digits) ____________________________
Account # ____________________________

As Plan Administrator, I hereby authorize the above distribution.

Plan Administrator’s Signature ____________________________ Date ____________

VESTED PERCENTS: MATCH _______% NON-ELECTIVE _______%
YOUR ROLLOVER OPTIONS

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

This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment, and the Plan administrator or the payor will tell you the amount that is being paid from each account. Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59-1/2 and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59-1/2 (or if an exception applies).

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

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

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

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59-1/2 (unless an exception applies).

How much may I roll over?

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

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70-1/2 (or after death)
- Hardship distributions
- ESOP dividends
• Corrective distributions of contributions that exceed tax law limitations
• Loans treated as deemed distributions (for example, loans in default due to missed payments before your employment ends)
• Cost of life insurance paid by the Plan
• Contributions made under special automatic enrollment rules that are withdrawn pursuant to your request within 90 days of enrollment
• Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP (also, there will generally be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA).

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

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

If you are under age 59-1/2, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

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

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

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

If you receive a payment from an IRA when you are under age 59-1/2, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

• There is no exception for payments after separation from service that are made after age 55.
• The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
• The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
• There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to $10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).
Will I owe State income taxes?

This notice does not describe any State or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit which totals $12,000, of which $2,000 is after-tax contributions. In this case, if you roll over $10,000 to an IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

If your payment includes employer stock that you do not roll over

If you do not do a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59-1/2, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan administrator can tell you the amount of any net unrealized appreciation.

If you have an outstanding loan that is being offset

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the amount of the loan, typically when your employment ends. The loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% additional income tax on early distributions, unless an exception applies) unless you do a 60-day rollover in the amount of the loan offset to an IRA or employer plan.
If you were born on or before January 1, 1936

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

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

If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of $3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you roll over your payment to a Roth IRA

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 59-1/2 (or after your death or disability, or as a qualified first-time homebuyer distribution of up to $10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

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

If you are not a plan participant

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

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

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59-1/2 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 70-1/2.

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 70-1/2.

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

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

If you are a nonresident alien

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

Other special rules

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

If your payments for the year are less than $200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than $1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to ASPire Financial Services Auto-Rollover IRA; 4010 Boy Scout Blvd. Suite 500 Tampa, FL 33607 Phone: 866-634-5873. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed $5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

FOR MORE INFORMATION

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.