

APPLICATION FOR BENEFITS

NAME OF PLAN:

NAME OF APPLICANT:

This package contains information concerning the benefits that you are entitled to receive from the above-named plan(s). Please review these forms carefully, complete the Participant Election Form, and return to:

The Ryding Company
2659 Townsgate Road, Suite 101
Westlake Village, CA 91361

Upon your return of these forms, your benefit will be calculated and processed in accordance with your Participant Election Form.

Date of this Application: _____

NOTICE OF FEDERAL & STATE INCOME TAX WITHHOLDING

Mandatory federal income tax withholding applies to distributions that are not directly rolled over to an Individual Retirement Account (IRA) or other eligible Qualified Retirement Plan. Attached to this Application is a "Special Tax Notice Regarding Plan Payments". This notice explains in greater detail the "Direct Rollover" rules.

Certain distributions are not eligible for "Direct Rollover". If you receive such a distribution, it will be subject to the following income tax withholding requirements:

Federal and State Income Tax withholding elections must be made prior to the date you receive your payment. Your election is important, as there are penalties for under-withholding.

FEDERAL INCOME TAX WITHHOLDING RULES:

Periodic Payments (Annuities or Installment Payments). The Trustee will withhold the amount, which would be required as if the periodic payment were wages. You may wish to request the Plan Administrator to provide you with a Form W-4P to assist you in calculating the amount you wish to have withheld from your distribution (if any).

Non-periodic Payments (other than those which are eligible for "Direct Rollover"). The standard amount of withholding is 10% of the distribution. This amount is not necessarily the total amount of taxes you will owe; it is only a minimum designed to prevent under-withholding.

STATE INCOME TAX WITHHOLDING RULES:

The amount of state income tax withholding is on a specified schedule and, like the federal income tax withholding, may not be the entire amount of taxes, which will be due. For California, the standard amount of state income taxes to be withheld at the time distribution is made is 10% of the federal income tax withholding. The Participant Election Form gives you the opportunity to choose either a dollar amount or a specified percentage in lieu of the standard amount.

Please complete the Participant Election Form enclosed and return it to the Plan Administrator.

If you do not return your election form(s), federal and state income taxes will automatically be withheld from your distribution.

The date by which your Participant Election form should be returned is 15 days from the date of this Application.

PARTICIPANT ELECTION FORM

The elections you make will have tax implications. You are strongly encouraged to seek the advice of your accountant, attorney, or other financial advisor in completing your election. When your election has been completed, please return to the plan administrator shown on the cover page of this application.

Plan and Payee Information

Plan Name _____

Participant's Name _____ Participant's Social Security # _____

Address: _____
Street City State Zip Code

Method of Payment

I wish to make a "Direct Rollover" of the following portion of my distribution _____ to one of the following: (all or give %)

another Qualified Employer Plan Individual Retirement Account (IRA)

For IRA or Plan, please make the check payable to:

Name of Plan or IRA

IRA Example: "ABC Bank as trustee of the IRA of John Q. Smith" Plan Example: "XYZ Corporation Profit Sharing Trust"
The check will be mailed to the Participant's address as completed above.

I wish to have my Plan Benefits paid to me. I understand that 20% will be withheld for Federal Income Tax Deposit.

Reason for Distribution

The payment is to be made for the following reason:

Termination of employment: _____ Termination of the Plan Other: _____
(Date)

Income Tax Withholding

I am making a "Direct Rollover" of my total distribution. Income tax withholding does not apply.

My distribution is not subject to 20% mandatory withholding; however, please withhold the following amount for federal income taxes: \$ _____ or _____% of the distribution.

Please withhold the standard amount of state income taxes (for California, 10% of the amount of federal withholding)

Do not withhold any state income taxes.

Notice of Qualified Joint & Survivor Annuity

The law requires that, unless you elect otherwise, benefits under this plan are to be paid in the form of a "Qualified Joint & Survivor Annuity". This means that benefits begin when you reach Normal Retirement, as defined in the plan. The benefit would then be paid to you each month for as long as you live. Under a Qualified Joint & 50% to Survivor Annuity, your spouse, if you are married, would continue to receive 50% of the monthly payment for the rest of his or her lifetime. At your spouse's death, all payments would cease. An additional explanation and example of a Qualified Joint & Survivor Annuity is shown on the last page of this application.

The plan offers an alternative to the Qualified Joint & Survivor form of benefit payment. You are permitted to elect a single-sum payment, provided your spouse gives knowing, written consent. This consent must be witnessed, either by a Notary Public or Authorized Plan Representative. If you elect single-sum payment, you would receive the entire benefit from the plan to which you are entitled now, and no further benefits would be payable to either you or your spouse in future years.

Participant's Declaration and Certification

I am a participant in the plan and I have read the explanation of the Qualified Joint & Survivor Annuity above, and as attached. I understand that:

- If I am married when benefits become payable, my benefits under the plan will be paid to me in the form of a Qualified Joint & Survivor Annuity;
- I have the right to waive the Qualified Joint & Survivor Annuity, provided my spouse consents to the waiver;
- If my spouse consents, I have the right to choose a form of retirement benefit that may not provide any benefits from the plan to my spouse after I die, and;
- I may cancel any waiver at any time before payments actually begin without my spouse's consent.
- I have the rights to consider whether to elect a distribution, Direct Rollover, or other benefit option for at least 30 days after receipt of these materials.

I hereby **WAIVE** the Qualified Joint & Survivor Annuity and request that payment be made in the following form:

Single-sum payment Other (please specify) _____

I understand that my above elections will remain in effect until I change them. I also understand that I may change any of my elections at any time prior to the time I receive my distribution.

I hereby certify that I am not married, and therefore, the Qualified Joint & Survivor Annuity form of payment is not applicable.

I have read and understand the information provided to me, and certify that information provided in this application is correct. I understand that I have the right to consider whether to elect a distribution, Direct Rollover, or other benefit option for at least 30 days after receipt of these materials.

Signature of Participant _____ Date _____

Spousal Consent (check box if you are ***NOT*** married)

I hereby certify that I am the spouse of the plan participant and that I give my consent to the form of distribution. I further consent to my spouse's waiver of the Joint and Survivor Annuity form of payment, as shown on the reverse side. I understand that by giving my consent I am waiving all rights I have to a survivor benefit under this plan that I would be legally entitled to if my spouse dies, in lieu of the form of benefit chosen above. Once it has been made, this election is irrevocable.

Signature of Spouse _____ Date _____

Certification of Notary Public or Authorized Plan Representative:

The spouse whose signature is above and who is known to me to be such spouse has affirmed such signature in my presence as his or her free and voluntary act.

Signature of Notary Public
or Plan Representative _____ Date _____

PARTICIPANT'S NOTICE JOINT AND SURVIVOR ANNUITY

Under the terms of our Plan, each Participant is entitled to receive notice and explanation of the Plan's Joint and Survivor Annuity Requirements which take effect at retirement. The notice is provided to all Participants approximately 90 days prior to the commencement of their benefits from the Plan.

The purpose of the notice is to inform you and your Spouse of the terms and conditions of the Joint and Survivor annuity rules. For your information and to aid you in making your decision, please note the following definitions. An annuity is a series of payments (usually monthly) made to you over your life, and the life of your spouse (or other beneficiary) of over another period of time. A life annuity is a monthly payment over the life of the Participant only, while a certain and life (also called certain and continuous) annuity is a life annuity with a certain period guaranteed to be paid out whether the Participant is still living or not. A joint & survivor annuity is a monthly payment over the life of the Participant and his or her beneficiary. A Qualified Joint and Survivor Annuity is a monthly payment over the life of the Participant and his or her spouse.

The rules are as follows:

- (1) If you are married at the time you retire or terminate employment, your account will automatically be payable to you and your Spouse in the form of a Qualified Joint and 50% Survivor annuity. This form of benefit will provide you with a series of payments over your life, and then provide your Spouse if he or she survives you with payments equal to a proportion of the amount received while you were alive. The amount of the payments will depend on the value of your vested account balance and age of both you and your Spouse.
- (2) you may elect, with consent of your Spouse, to receive your benefit in a form other than as described above (please see below) or to have it paid to someone other than your Spouse. However, in order to do so, you must file the attached Application for Benefits during the 90 day period preceding the date on which payment of your benefits is to commence. You may at any time during the 90 day period revoke a previous election and/or make a new election.

The following payments are assumed to be made to a Participant who retired at age 65. His or her spouse is age 63. These figures represent the monthly benefit purchasable with \$10,000 (Lump Sum). They are based on a 7% interest rate with UP'84 mortality table. These figures are totally hypothetical and are provided for a means of illustration so you better understand the options available to you. The figures will be changed by such factors as your account balance at time of payment, your age as well as the age of your beneficiary. The insurance carrier's mortality rates from which the annuity is purchased and the interest rates currently being paid by insurance carriers at the time the annuity is purchased.

Example:	Participant's Monthly Benefit	Survivor's Monthly Benefit
50% Joint and Survivor Annuity	\$85.39	\$42.70

* Depends on whether the Participant dies within the guaranteed (certain) period.

- (3) Since these rules are designed to provide and automatic benefit to your Spouse, any election you make pursuant to (2) above must be approved by your Spouse in writing and be witnessed by a notary public.
- (4) If you have elected against the joint and survivor annuity pursuant to (2) above and you die after your benefits have commenced to be paid under the Plan, the balance of your account will be paid to your beneficiary in the form elected by you.

- (5) Please contact Truog-Ryding Company, Inc. if you have any questions concerning the joint and survivor benefit ruled or election procedures. Also, please notify the Plan Administrator of any changes in your marital status.

Description of form: This form is used by participants who have terminated their employment and wish to request a distribution from a plan that includes annuity provisions, such as a defined benefit plan or a money purchase plan. Some 401(k) and profit sharing plans also have annuity provisions included. Participants may elect to receive a lump-sum payment rather than an annuity by completing the appropriate sections of the attached form. Married participant must obtain their spouse's written consent if payment is made in a form other than a qualified joint and survivor annuity, and the spouse's consent must be witnessed, either by a notary public or by an authorized plan representative.