

[Company Letterhead/Logo]

[Date]

[Plan Administrator Name]

[Company Name]

[Address]

[City, State, Zip Code]

RE: Notice of Intent to Terminate Qualified Retirement Plan

Dear [Plan Participant Name],

This letter serves as formal notification that [Company Name] has elected to terminate the [Full Name of Retirement Plan], effective [Termination Date]. This decision was made by the Board of Directors in accordance with the terms set forth in the Plan Document.

Reason for Termination:

[Insert Reason, e.g., Corporate restructuring, merger, or dissolution of the entity].

Impact on Participants:

As of the termination date, all contributions to the plan will cease. In accordance with Internal Revenue Code (IRC) requirements, all active participants will become 100% vested in their account balances as of the termination date, regardless of the previous vesting schedule.

Distribution Options:

Following the receipt of a favorable determination letter from the IRS (if applicable) and the completion of final plan accounting, you will be required to elect a distribution of your vested balance. Options typically include:

- Direct rollover to an Individual Retirement Account (IRA).
- Direct rollover to another employer's qualified 401(k) or retirement plan.
- Lump-sum cash distribution (subject to applicable federal and state income tax withholding).

Action Required:

Please review the enclosed "Summary of Distribution Options" and "Special Tax Notice Regarding Plan Payments." You are required to return the enclosed Election Form to [Department/Contact Person] no later than [Deadline Date].

Failure to provide distribution instructions by the deadline may result in an automatic rollover of your funds to an IRA established on your behalf, or other actions as permitted by Department of Labor (DOL) regulations.

If you have questions regarding your account balance or the termination process, please contact [Name/Title] at [Phone Number] or [Email Address].

Sincerely,

[Signature]

[Typed Name]

[Title]

[Company Name]

Enclosures: Distribution Election Form, Special Tax Notice, Summary of Plan Termination