Dear <Insert the name of the participant>,

The IRS generally requires anyone who is at least age 72 and has a balance in a retirement plan to take minimum distributions each year. These are referred to as Required Minimum Distributions or RMDs.

**Required Action Step**

**[Choose the applicable paragraph, active participant, 5% owner, or terminated participant]**

*Active Participant - Plan Document allows for distributable event* - As an active Participant in the <Plan Name>, you have the option to take your RMD for <insert year> or waive it. If you elect to take your RMD, please complete the enclosed form and return to us as soon as possible. If we do not receive your form by November 1, <insert year>, we will deem you to have waived your RMD for the year.

*5% Owner* - As an owner of the company, you are required to take your RMD no later than December 31, <insert year>. Please complete the enclosed form and return to us no later than November 1, <insert year>, to allow adequate time to process the distribution by the deadline.

PLEASE NOTE: The IRS may assess a penalty equal to 50% of your RMD if the distribution is not paid timely.

*Terminated Participant>*- As a former participant in the <Plan Name>, you are required to take your RMD no later than December 31, <insert year>. Please complete the enclosed form and return to us no later than November 1, <insert year>, to allow adequate time to process the distribution by the deadline. As an alternative to taking only your RMD, you are also able to take a full distribution of your account.

PLEASE NOTE: The IRS may assess a penalty equal to 50% of your RMD if the distribution is not paid timely.

**Closing**

Please contact us if you have any questions.