

APPENDIX W**LETTER-INTERNAL REVENUE SERVICE
TAX LEVY**

The IRS has sent us the attached Notice of Levy on Wages, Salary, and Other Income (IRS Form 668-W). Under current rules, this is a one-time levy against your retired pay to collect delinquent federal taxes. Please read the IRS Form 668-W carefully as it may be advisable to discuss it with your attorney or other tax adviser.

If you have been awarded the Medal of Honor, you are exempt from levy, and you should, as soon as possible, send us a copy of the citation awarding you the Medal of Honor to prevent the levy of your retired pay.

Current tax law protects a part of your retired pay from levy. You should complete the attached form and return it to us within five working days to claim your partial exemption. If we do not receive the completed form, we will compute your exemption for you, using the exemption for a married person filing separately with no other exemptions. Please note that the exemptions you claimed for tax withholding purposes are NOT the same and we will not use them to compute your exemption from levy.

We will deduct the levy from your (month/year) retired pay check. This is a one-time levy under current IRS rules; we will advise you if the IRS requests levy of any further retired pay checks. So long as future levies are for the same tax debt, you will not need to provide us further exemption information. We will use the information we have on file from this levy to compute future payments to the IRS.

If you have any questions concerning the levy itself, please contact the IRS office which issued it.