

111
April 13, 2004

PBGC Case Number: 200543
Plan Name: Piccadilly Cafeterias Inc Pen Plan

JANE DOE
Address
City, ST 00000

Dear JANE DOE:

The Pension Benefit Guaranty Corporation (PBGC), a federal agency, is now responsible for paying benefits under your pension plan. We will manage your plan and pay you benefits you are entitled to. To learn more, please read the enclosed pamphlet, "***Your Guaranteed Pension.***" You can also find information about our agency on our internet website at www.pbgc.gov.

Beginning on 06/01/2004, State Street Corporation, PBGC's bank will pay your benefits. If the amount of your current monthly benefit is \$50 or less, the PBGC will pay your benefit annually. The initial payment will cover the first twelve months. The month in which the initial payment is made will be the anniversary date for future payments. If you use direct deposit, State Street will continue to deposit your benefit into your account. We will continue to withhold federal Income tax from your benefit at your current rate. However, PBGC will not withhold state and local taxes, medical and life insurance premiums and other non-federal deductions from your benefit. If you have any of these deductions, you will need to make other arrangements to cover them.

So that PBGC can accurately determine the amount of your correct PBGC pension benefit, please complete and return the enclosed form within **30** days. PBGC will pay you an estimated benefit until we have finished reviewing your plan. After we complete our review, we will send you our formal determination of your benefit and your right to appeal.

If you have any questions or need assistance, please call our Customer Contact Center at **1 (800) 400-7242**. If you use a TTY/TDD, call **1-800-877-8339** and give the relay operator our telephone number. You may also write to:

PBGC
P.O. Box 151750
Alexandria VA 22315-1750

There is a new IRS tax credit for health care insurance premiums called the Health Coverage Tax Credit (HCTC), which may apply to certain individuals who are 55 - 65 years of age and are receiving benefits from the PBGC. This credit does not apply if you are entitled to coverage under Medicare Part A, enrolled in Medicare Part B or a state's Medicaid program.

In cases where individuals are 65 or older and not eligible for Medicare, they may still be eligible for the credit. The HCTC is equal to 65 percent of the premiums paid by you for qualified health insurance. **HCTC information is available from the IRS at its web site, www.irs.gov - IRS Keyword: HCTC, or at the HCTC toll-free number 1-866-628-HCTC (TTD/TTY: 1-866-626-HCTC).**

When you write the PBGC, include your Social Security number, PBGC case number 200543, and a daytime telephone number. Please keep this letter in your records for future reference.