

Use this sample form to notify employees of excess contributions made to their SEP-IRAs.
Each employee with excess contributions should receive this notice within 2½ months after the end of the plan year.

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T. ROWE PRICE TRUST COMPANY
SIMPLIFIED EMPLOYEE PENSION PLAN
NOTIFICATION TO EMPLOYEES OF EXCESS SEP CONTRIBUTIONS

To: _____
Name of Participant

Our calculations indicate that the elective deferrals you made to your SEP-IRA for taxable year _____ exceed the maximum permissible nondiscrimination limits under Internal Revenue Code Section 408(k)(6). You made excess SEP contributions of \$ _____ for that year.

These excess SEP contributions are includible in your gross income for the taxable year specified above.

These excess SEP contributions must be distributed from your IRA by April 15, _____ (insert year after calendar year in which notice is given), in order to avoid significant penalties. Income allocated to the excess amounts must be withdrawn at the same time and is includible in income in the year of withdrawal. Excess contributions left in your SEP-IRA account after that time are subject to a 6% excise tax, and the income on these excess SEP contributions may be subject to a 10% penalty when finally withdrawn.

Employer's Signature

Date