

## AVNET PENSION PLAN DISTRIBUTION OPTIONS

- In June 2017, a letter will be sent to your Workday address of record explaining your Avnet Pension Plan ("Plan") distribution options.
- If you would like to roll over, request a lump sum payment, or elect an annuity from the Plan at that time, return the form that will be included with the letter to request a benefits commencement packet.
- A benefits commencement packet (including your payment options and an application) will be mailed four to six weeks after Avnet receives your request.
- To elect a distribution, you will need to review your payment options and return the application to Avnet.
- Pension payments will be made approximately two months from the first of the month following Avnet's receipt of a complete application and all required documentation. For example, if your complete application is received on August 15, payment would be made on November 1.

### Pension Contributions/Interest

If you were an active Plan participant who transitioned to Tech Data, you received your final contribution credit based on your eligible pension earnings from January 1 through February 26, 2017. You will continue to receive interest credits through the end of the last month before your distribution date. The interest crediting rate for 2017 is 4%.

### 100% Vesting

Active participants who transitioned to Tech Data were automatically 100% vested in the Plan as of February 26, 2017, regardless of length of service.

### Pension Distribution

You have the option to request a distribution of your benefits from the Plan or you may choose to defer your distribution until a later date. Federal tax laws require that payments start no later than April 1 of the first calendar year that starts after you reach age 70-1/2.

### Distribution Options

If your Plan account balance is \$5,000 or less, your benefit must be paid out as a lump sum. If you have an account balance of more than \$5,000, your account can be converted into an annuity that makes monthly payments to you for life. If you are married, reduced payments continue to your surviving spouse after your death unless you choose a different distribution option. If you choose a single-life annuity (3- or 10-year term certain), you will receive monthly payments during your life, and if you die before the end of the "term certain" period, your designated beneficiary will receive monthly payments until the end of the guaranteed payout period you chose.

### Beneficiary Designation

You do not designate a beneficiary for the Plan until you are ready to elect/receive your benefits. If you should die prior to benefit commencement, your spouse would be the beneficiary (he/she would have the option to request a distribution in the form of a lump sum/rollover or the survivor portion of the 100% joint and survivor benefit). If you are not married at the time of your death and you have not elected to begin your receiving your benefit, your estate would be the beneficiary of your benefit (lump sum only).

## Your Pension Estimator Tool

You can continue to access the Your Pension Estimator tool to use the modeling software. Visit [avnet.me/pension](https://avnet.me/pension) from any device with an internet connection, select “former employee,” and follow the registration process to establish your user name and password.

## Tax Information

In general, all distributions you receive from the Plan are subject to income tax when you receive payment. In addition, any distribution you receive before age 59-1/2 is subject to a 10% additional tax unless (a) you terminate employment with Avnet at age 55 or older or on account of death or disability, or (b) you receive your benefit in the form of an annuity. Since the tax rules are complicated, you are encouraged to consult your tax advisor before you request a distribution.

## Pension Benefit Guarantee Corporation

Your pension benefit under the Plan is insured by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most participants receive all the pension benefits they would have received, but some people may lose certain benefits.

For more details, refer to the Avnet Pension Plan [Summary Plan Description](#). Please direct any questions about your benefit to [Avnet Retirement Services](#) (call 800-882-8638, option #4).

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