

Cash Balance Plan Questions & Answers

1. I am a Cash Balance Plan participant. Is my money safe?

SunTrust Bank, the Plan's Trustee, currently holds the assets of the Cash Balance Plan in a separate trust account. Federal laws require that these assets be used for the benefit of the plan participants only; they cannot be accessed by LandAmerica creditors or anyone else. In addition, a federal agency known as the Pension Benefits Guarantee Corporation (PBGC) insures vested basic pension benefits if a pension plan's assets are insufficient to cover those benefits. More information about the PBGC and its pension benefit guarantee can be found at <http://www.pbgc.gov/workers-retirees/benefits-information/content/page14090.html>.

2. If my benefit is protected, why can't I get a lump sum payment of my account balance?

In administering the Cash Balance Plan, LandAmerica must comply with the Pension Protection Act of 2006. This federal law became effective in 2008 and prohibits the payment of lump sums from pension plans that are 1) not 100% funded under strict actuarial standards (our Plan was well funded, but did not quite meet the 100% standard) and 2) sponsored by companies that have filed for bankruptcy. As the result of a December 2008 amendment to the Act, we may pay lump sums to participants with Plan balances of \$5,000 or less.

3. Will the lump sum option come back?

Under present law, the Plan cannot pay lump sums unless the Plan's actuary certifies that the Plan is 100% funded under the strict standard required by federal law. We do not anticipate that happening this year and it is speculative as to whether it will occur in future years.

4. Once I start a monthly annuity payment, can I revert to a lump sum if the lump sum option becomes available again?

No, you cannot change your form of payment once payment has begun.

5. Can I roll my annuity payments into an IRA?

No, annuity payments are not eligible for rollover.

6. Are there tax penalties for receiving annuity payments before retirement age?

You face no tax penalties if you begin receiving annuity payments before you reach retirement age. If you are eligible for a lump sum and elect to receive a direct payment

before you reach age 59½ (and do not roll it over), in addition to regular income tax, you may have to pay an extra tax equal to 10% of the taxable portion of the distribution.

7. Will my annuity stop once I have received payments equal to my total current Cash Balance account value?

No. Annuity payments continue according to the form of payment you have elected; if you are married and have elected a joint and survivor annuity, your payments will continue over your/your spouse's lifetime.

8. Who will handle the Cash Balance Plan in the future? How will I know who to contact?

LandAmerica is making plans for the continued administration of the Cash Balance Plan. You will be notified in advance of any changes to the administrative contacts.

9. I received my Cash Balance Plan distribution information, but my coworker from LandAmerica has not. Have all the packages been mailed? Is there anything I should do?

LandAmerica's Benefits Representatives are completing the Cash Balance Plan calculations as quickly as possible. While terminated employees should expect to receive their packages within 90 days of termination, several factors can delay a package, including the number of employees terminated in a given month, the complexity of a calculation and the US mail delivery time.

Please be patient. You do not need to contact LandAmerica Human Resources unless you have a change of address, in which case you should email your new mailing address to customerservice@landam.com. Please include your LandAmerica employee ID number and your name as it appears on your LandAmerica payroll records.