

## NOTICE OF HARDSHIP WITHDRAWAL

PLAN NAME: \_\_\_\_\_

The Plan provides that certain amounts may be withdrawn from your account if you have a financial hardship. This Hardship Distribution will reduce the value of the benefits you receive at retirement. Before requesting a hardship withdrawal you must prove that the need can not be met by other resources.

You may request a hardship distribution from your salary deferral account only. The earnings on your salary deferrals and any Employer contributions may not be distributed to you on account of a hardship. Ask the Administrator if you need further details.

In order to qualify for a Hardship Distribution, certain conditions must be satisfied. A hardship distribution may only be made for payment of the following:

- 1) Medical expenses which you, your spouse or dependents incur. These must be expenses described in Section 213(d) of the Internal Revenue Code;
- 2) Costs directly related to the purchase your primary residence;
- 3) Amounts necessary to prevent your eviction from your primary residence or the foreclosure on your primary residence;
- 4) Expenses to repair damages to your primary residence that would qualify for the casualty deduction for income tax purpose;
- 5) Tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for you, your spouse or dependents; or
- 6) Funeral expenses for your deceased parent, spouse, child or dependent.

Under special rules permitted by the IRS, you will be considered not to have sufficient resources to meet the immediate and heavy financial need, but only if;

- 1) The hardship distribution is not in excess of the immediate and heavy financial need. The amount needed may include any amounts necessary to pay federal, state or local taxes or penalties anticipated as a result of the distribution; and
- 2) You have obtained all distributions (other than a hardship distribution) and all non-taxable loans currently available from any plan maintained by your Employer; and
- 3) You agree not to make salary reduction contributions for a six (6) month period after you receive the hardship distribution.

All Hardship Distributions are subject to income tax, but tax withholding is OPTIONAL. Federal tax will NOT be withheld, unless you elect otherwise by completing the appropriate section of the "*Application for Hardship Withdrawal*." Mandatory state withholding does not apply, although a 10% penalty tax may apply if you are not yet age 59 ½.

To apply for a Hardship Distribution, sign this form and fill out the "*Application for Hardship Withdrawal*." **Return the application and this form to the Plan Administrator.** You may be asked to provide documentation to verify your request.

If you are legally married, your spouse must sign the *Application for Hardship Withdrawal*. The signature must be witnessed by the Plan Administrator or by a Notary Public.

Participant: \_\_\_\_\_ Social Security #: \_\_\_\_\_

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**APPLICATION FOR HARDSHIP WITHDRAWAL**

PLAN NAME: \_\_\_\_\_

Participant: \_\_\_\_\_ Social Security #: \_\_\_\_\_

Address: \_\_\_\_\_

City, State Zip: \_\_\_\_\_ Amount Requested \$ \_\_\_\_\_

As a Participant in the Plan, I hereby apply for a hardship withdrawal. I have reviewed the Notice of Hardship Withdrawal, and I confirm that the reason for the hardship is:

- To pay medical expenses for me, my spouse or my dependents.
- To purchase my primary residence.
- To prevent the eviction from or foreclosure on my primary residence.
- To pay expenses for the repair of damages to my primary residence.
- To pay educational expenses for me, my spouse or my dependents.
- To pay funeral expenses for my deceased parent, spouse, child or dependent.

Having designated the reason for requesting this hardship distribution, I must now demonstrate that I have no other resources available to meet this hardship. In support of my request, I have attached copies of any bills and invoices evidencing the hardship, as well as a brief financial statement.

**I agree that in order to receive the hardship distribution requested above:**

- 1) My immediate financial need is the amount requested;
- 2) I have obtained all distributions and non-taxable loans available under all retirement plans maintained by the Employer;
- 3) I will **not** be able to make salary reduction contributions for **six months** after I receive this hardship distribution;
- 4) My election is irrevocable and will reduce the benefits I receive from my account at retirement;
- 5) I understand that if I am not over age 59 1/2, I will also be subject to a 10% federal penalty tax on the total amount of the distribution;
- 6) I understand that the Plan Administrator will consider my request within a reasonable time, and I agree to provide any additional information, which the Plan Administrator may require.

**Waiver of 30-day Notice Period.** I consent to an immediate distribution of the elected portion of my account. I waive any unexpired portion of the minimum 30-day notice period during which I may consent to a distribution from the Plan.

**Marital Status.** I am (check one)     not married     married (If you are married, your spouse must sign below.)

**Withholding on Hardship Distribution.**

This distribution is subject to tax, but is *NOT* subject to mandatory federal or state income tax withholding. Taxes will NOT be withheld, *unless I elect otherwise below:*

Federal withholding in the following percentage: \_\_\_\_\_ %     State withholding in the following percentage: \_\_\_\_\_ %

**SIGNATURES**

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

I hereby consent to the distribution of benefits to my spouse. I understand that in consenting to this distribution, I will be waiving rights to a survivor benefit that I would be legally entitled to at a later date. **My signature has been witnessed by the Plan Administrator or a Notary Public.**

Spouse's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**CHANGE IN SALARY DEDUCTION  
DUE TO HARDSHIP WITHDRAWAL**

PLAN NAME: \_\_\_\_\_

Participant: \_\_\_\_\_ Social Security #: \_\_\_\_\_

Address: \_\_\_\_\_

City, State Zip: \_\_\_\_\_

Effective Date of Change: \_\_\_\_\_

**CHANGE IN SALARY DEDUCTION**

  X   I elect to stop my contributions at this time.  
I understand that I will not be eligible to participate again until six (6) months from this date.

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Employer Signature: \_\_\_\_\_ Date: \_\_\_\_\_