

## NOTICE OF HARDSHIP WITHDRAWALS

Participant: \_\_\_\_\_

The Plan provides that certain amounts may be withdrawn if you have a financial hardship. This hardship distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you receive at retirement.

You may request a hardship distribution from your accounts attributable to:

- Your salary deferrals
- Rollovers from other plans

In addition, there are restrictions placed on hardship distributions which are made from certain accounts. These accounts are generally the accounts which receive your salary deferral contributions and other Employer contributions which are used to satisfy special rules that apply to 401(k) plans. Generally, the only accounts that can be distributed to you on account of a hardship from these amounts are your salary deferrals. The earnings on your salary deferrals and these special 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. Generally, a hardship distribution may only be made for payment of the following:

- Expenses for medical care (described in Section 213(d) of the Internal Revenue Code) previously incurred by you, your spouse or your dependent or necessary for you, your spouse or your dependent to obtain medical care;
- Costs directly related to the purchase of your principal residence (excluding mortgage payments);
- Tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for yourself, your spouse or dependent;
- Amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.

If you have one of the above expenses, generally a hardship distribution can only be made if you certify and agree that all of the following conditions are satisfied:

- (a) The distribution is not in excess of the amount of your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution;
- (b) You have obtained all distributions, other than hardship distributions, and all nontaxable (at the time of the loan) loans currently available under all plans maintained by your Employer; and
- (c) That your salary deferrals and after-tax voluntary contributions will be suspended for at least six (6) months after your receipt of the hardship distribution.

Regardless of the above, for distributions of amounts other than your salary deferrals, different rules apply. A hardship distribution can still only be made if there is an immediate and heavy financial need. In addition to the expenses listed above, a hardship distribution can be made to pay the funeral expenses of a family member or any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from a hardship distribution. The Administrator must determine, based on all relevant facts and circumstances, whether you have other resources available to satisfy the financial need. For this purpose, your resources will generally include property which is owned by your spouse or other minor children. You will be asked to certify and provide other documentation as may be necessary to show that the need cannot be met by one of the following alternatives:

- (a) Through reimbursement or compensation by insurance or otherwise;
- (b) By selling or otherwise liquidating your assets in a reasonable manner, but only if doing so would not itself increase the amount of the need;
- (c) By stopping your salary deferrals and after-tax voluntary contributions to the Plan;
- (d) By borrowing money from a bank or other commercial lender on terms that would be considered commercially reasonable, but only if doing so would not itself increase the amount of the need; or
- (e) By electing to receive a distribution or loan from the Plan or any other qualified retirement plan in which you are or were a participant, but only if doing so would not itself increase the amount of the need.

If you wish to apply for a hardship distribution, you should fill out an application which the Plan Administrator will provide. Return the application to the Plan Administrator.

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Plan Administrator

APPLICATION FOR HARDSHIP WITHDRAWAL  
OF SALARY DEFERRALS

Participant: \_\_\_\_\_

Hardship withdrawal amount: \$\_\_\_\_\_

Form of distribution: \_\_\_\_\_

As a Participant in the Plan, I hereby apply for a hardship distribution. I confirm that the reason for the hardship is:

- to pay medical expenses for me, my spouse or dependents
- to purchase my principal residence
- to pay tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for me, my spouse or dependents
- to prevent foreclosure on my principal residence or eviction from my principal residence

Having designated the reason for requesting a hardship distribution by checking one or more of the options above, I understand that I must also demonstrate that I have no other resources available to me to meet this hardship. In order to do so, I hereby certify that:

- the distribution will not be in excess of the immediate financial need (\$\_\_\_\_\_ (enter amount));
- I have previously obtained all distributions and non-taxable loans available under all retirement plans maintained by the Employer; and
- I will not be able to make salary deferrals and after-tax voluntary contributions for 6 months after I receive a hardship distribution.

1. Representations. I understand:
  - a. My election is irrevocable.
  - b. The Plan will hold the portion of my account balance which I am not withdrawing until I otherwise would receive a distribution of my account balance under the Plan, generally upon my termination of employment.
  - c. I should consult my own tax advisor with respect to the proper method of reporting any distribution I receive from the Plan.
  
2. Waiver of minimum notice period. I consent to an immediate distribution of the elected portion of my vested account balance. I affirmatively waive any unexpired portion of the minimum 30-day notice period during which I may consent to a distribution from the Plan.

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.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Social Security Number

**APPLICATION FOR HARDSHIP WITHDRAWAL  
FOR AMOUNTS OTHER THAN SALARY DEFERRALS**

Participant: \_\_\_\_\_

Hardship withdrawal amount: \$ \_\_\_\_\_

Form of distribution: \_\_\_\_\_

- to pay medical expenses for me, my spouse or dependents
- to pay funeral expenses of a family member
- to purchase my principal residence
- to pay tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for me, my spouse or dependents
- to prevent foreclosure on my principal residence or eviction from my principal residence
- Specify reason \_\_\_\_\_

Having designated the reason for requesting a hardship distribution by checking one or more of the options above, I understand that I must also demonstrate that I have no other resources available to me to meet this hardship. In order to make this demonstration, I hereby certify that the need cannot be met by one of the following alternatives and I agree to provide such additional information as may be necessary to demonstrate to the Administrator that the need cannot be met by any of such alternatives:

- Through reimbursement or compensation by insurance or otherwise;
- By selling or otherwise liquidating my assets, but only if doing so would not itself increase the amount of the need;
- By stopping my salary deferral and after-tax voluntary contributions to the Plan;
- By borrowing money from a bank or other commercial lender on terms that would be considered commercially reasonable, but only if doing so would not itself increase the amount of the need; or
- By electing to receive a distribution or loan from the Plan or any other qualified retirement plan in which I am or was a participant, but only if doing so would not itself increase the amount of the need.

1. Representations. I understand:

- a. My election is irrevocable.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Social Security Number