

HARDSHIP DISTRIBUTION REQUEST FORM

To be completed and signed by an Authorized Employer Representative

Authorized Employer Representative (print name)		Date
Company		
Fax	Phone	Email
Plan Name		
Participant Name	Birth Date	Hire Date
Mailing Address		SSN
Reason for Hardship Distribution <input type="checkbox"/> Medical expenses for the participant, spouse or other dependant. <input type="checkbox"/> Purchase of a primary residence (excluding mortgage payments). <input type="checkbox"/> Payment of tuition for the next quarter or semester of post-secondary education for the participant, spouse or other dependant. <input type="checkbox"/> Payment of funeral expenses for parent, spouse, child or other dependant. <input type="checkbox"/> Payment necessary to prevent eviction from or foreclosure on the mortgage of the participant's primary residence. <input type="checkbox"/> Certain expenses related to repair of damage to principal residence that qualifies for a casualty deduction on the individual's federal tax return. <i>The employee must complete the attached "Hardship Substantiation Form" to comply with updated IRS regulations effective in 2019.</i>		
Hardship Amount Requested	Generally, the hardship amount is limited to the total deferral contributions the participant has made to the plan from their paycheck, including earnings.	
\$ _____		
Distribution Fee The hardship service fee is to be paid to the TPA by the following method. <input type="checkbox"/> deducted from the participant's account <input type="checkbox"/> invoice plan sponsor/employer	Voluntary Tax Withholding 10% federal tax will be withheld automatically unless instructed to withhold at a different rate. You will have the opportunity to elect a different withholding rate on the hardship distribution election package you will receive from our office.	
I certify that the above information is correct to the best of my knowledge and agree to provide to the participant the benefit distribution information provided to us by Atteberry/Searle, Incorporated.		
_____ Signature of Authorized Employer Representative		_____ Date

Return Complete Form to Atteberry/Searle, Incorporated

Mail To: Chris Huffstutter or Mark Fowler
Atteberry/Searle, Incorporated
3620 American River Drive, Suite 210
Sacramento, CA 95826

Fax: 916-564-1492
Phone: 916-564-1484
Email: chris@attsea.com
Email: mark@attsea.com

Hardship Substantiation Package

Introduction

You are applying for a distribution of some or all of your 401(k) benefits because you have sustained a hardship that requires a financial outlay. This package provides you with the information we need to confirm that the distribution is due to a heavy and immediate financial need, as is required by the law.

You must complete **both** this package and the Hardship Distribution Request form.

Things You Must Know About a Hardship Distribution

1. To obtain a hardship distribution, you must confirm that you have no other cash or liquid assets that you can use to pay for your hardship. That confirmation is part of this package.
2. A hardship distribution is considered to be income to you and will be included as taxable income on your Federal (and state) income tax returns for this year. In addition, if you are younger than age 59½ when you take this distribution, a 10% tax (in addition to your income tax on the distribution) will apply. State taxes may also apply.
3. The amount of the distribution to you cannot exceed the amount of your heavy and immediate financial need.
4. Only your salary deferral (401(k)) and earnings contributions can be distributed.
5. You may provide proof of the expenses you have paid due to your hardship to the Plan Administrator. If you do not want to do this, you may sign the certification in this package, confirming that you have sustained these expenses. **However, you agree that you will keep the proof, and will provide that proof if and when it is requested by your employer or the plan administrator.** This request will normally be made only if the plan is being audited by the Internal Revenue Service.
6. If you are paying expenses relating to a dependent, the person must qualify as a dependent under Internal Revenue Code Section 152.
7. No hardship distribution can be processed without your signature on the Certification in Section I.

All applicants must complete Part I of this Package. You need only complete the other parts of this Package that apply to your hardship.

You must return the completed portion of this Package and your Hardship Distribution Request Form to your employer.

If you have any questions about this package, please contact us.

I. Participant Information and Certification

All applicants must complete this page.

Name of Participant: _____

Did the participant experience the hardship? (*check one*) yes no

If someone else has experienced the hardship:

Insert name of the person: _____

Relationship to participant: spouse

dependent: child parent other: _____

Plan primary beneficiary

Requested Distribution Amount: \$ _____

Participant Certification

I, _____, am applying for a hardship distribution from the Plan. I hereby certify under penalty of perjury that the information provided in this package is, to the best of my knowledge, true and accurate. I further certify that I have insufficient cash or other liquid assets from any other source reasonably available to me to pay for my hardship. Finally, I agree to keep the source documents that show that a hardship occurred and the expenses for which the hardship distribution is being taken, and to make that information available at any time, upon request, to the Plan Sponsor or the Plan Administrator.

_____/_____/_____
Date

Signature of Participant

II. Purchase of Participant's Principal Residence

Complete this section if the Participant is purchasing a residence that will be his principal place to live.

Will this be the Participant's principal residence? yes no

Address of the residence: _____

Purchase price: \$ _____

Name and address of the Lender:

Date of the purchase/sale agreement: ____/____/____

Expected Closing Date: ____/____/____

Types of costs and expenses being covered by hardship distribution:

<input type="checkbox"/> Down Payment:		\$ _____
<input type="checkbox"/> Closing Costs:		\$ _____
<input type="checkbox"/> Title fees:		\$ _____
<input type="checkbox"/> Other:		\$ _____
_____		\$ _____
_____		\$ _____
_____		\$ _____
Total		\$ _____

Substantiation documents you must retain:

- Contract for purchase, reflecting purchase price shown above
- Escrow contract, if any
- Closing statement reflecting above costs, fees, etc.

III. Payment of Uninsured Medical Expenses

Complete this Section if the Hardship Distribution will be used to pay medical expenses.

Please Note: A hardship distribution is available to cover only those medical expenses that would be deductible under Internal Revenue Code (the “Code”) Section 213(d), even if you do not actually deduct them on your tax return. (You may not be able to deduct these expenses because you do not itemize your deductions or because the amount of your medical expenses is not sufficient for deduction.) If you are paying expenses of a dependent, the person must be a dependent as defined in Code Section 152.

- Purpose(s) of medical care: Diagnosis
(check all that apply) Treatment (including medicines)
 Prevention
 Transportation to/from medical provider
 Long-term Care

Note: you do not need to reveal the actual condition requiring care.

Name and address of service provider (*attach additional pages for multiple providers*):

- Type of provider: hospital
 doctor
 dentist
 chiropractor
 pharmacy
 Other: _____

Amount of uninsured medical expenses: \$ _____

Substantiation documents you must retain:

- Provider invoices, reflecting the above
- Insurance benefit reports, reflecting uncovered portion (if submitted to insurer)
- Proof of payment (e.g., credit card statements, cancelled checks, receipts)

IV. Payment of Educational Expenses

Complete this Section if the Hardship Distribution will be used to pay educational expenses of the Participant, his or her spouse, his or her dependents, or the person designated as the primary beneficiary of the Participant's benefits under the Plan.

Please Note: A hardship distribution is available to cover expenses for post-secondary (i.e., after high school) education. If you are paying expenses of a dependent, the person must be a dependent as defined in Internal Revenue Code Section 152.

Name and address of educational institution (note, this must be a post-high-school institution):

Types of costs and expenses being covered by hardship distribution:

<input type="checkbox"/> Tuition:	\$ _____
<input type="checkbox"/> Housing Costs:	\$ _____
<input type="checkbox"/> Related fees:	\$ _____
<input type="checkbox"/> Other:	\$ _____
_____	\$ _____
_____	\$ _____
Total	\$ <u>_____</u>

Period covered by the educational payments

(not to exceed 12 months): _____ / _____ / _____ to _____ / _____ / _____

Substantiation documents you must retain:

- Tuition invoices, if any
- If no invoices, report cards or other school-issued documents reflecting classes taken
- Excerpts from student handbook, reflecting cost of education
- Proof of payment

V. Payment to Prevent the Eviction From or Foreclosure On the Participant's Principal Residence

Complete this Section if the Hardship Distribution will be used to prevent the Participant's eviction from or foreclosure on his or her principal residence.

Please Note: a hardship distribution may be obtained only to prevent imminent eviction or foreclosure. It may not be taken to make a normal rent or mortgage payment.

Is this the Participant's principal residence? yes no

Address of the residence: _____

Type of event: eviction from rental property
 foreclosure on mortgage

Name and address of party that issued the eviction or foreclosure notice:

Date of eviction/foreclosure notice: ____/____/____

Due date of payment to avoid eviction/foreclosure: ____/____/____

<p style="text-align: center;">Substantiation documents you must retain:</p> <ul style="list-style-type: none"><input type="checkbox"/> Notice of eviction/foreclosure<input type="checkbox"/> If home is owned: mortgage documents<input type="checkbox"/> If home is rented: rental or lease agreements<input type="checkbox"/> Invoices or other proof of amount needed to prevent eviction/foreclosure<input type="checkbox"/> Proof of payment
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VI. Payment of Funeral and Burial Expenses:

Complete this Section if the Hardship Distribution will be used to pay funeral or burial expenses for the Participant's spouse or dependent or the person who is the primary beneficiary of the Participant's benefits in the Plan.

Please Note: If you are paying expenses of a dependent, the person must be a dependent as defined in Internal Revenue Code Section 152.

Name of the deceased: _____

Relationship to the participant:

- | | |
|---------------------------------|---|
| <input type="checkbox"/> spouse | <input type="checkbox"/> dependent |
| <input type="checkbox"/> parent | <input type="checkbox"/> primary Plan beneficiary |
| <input type="checkbox"/> child | |

Date of death: ____/____/____

Name and address of service provider(s) (cemetery, funeral home, etc.) (*attach additional pages for multiple providers, as needed*):

Substantiation documents you must retain:

- Death certificate
- Invoices or other proof of expenses incurred
- Proof of payment

VII. Payment for Repairs in Relation to Damage to the Participant's Principal Residence

Complete this Section if the Hardship Distribution will be used to pay for repairs to the participant's residence caused by casualty losses

Please Note: A hardship distribution is available to cover only those casualty expenses that would be deductible under Internal Revenue Code Section 165, even if you do not actually deduct them on your tax return. (You may not be able to deduct these expenses because you do not itemize your deductions or because the amount of your casualty loss is not sufficient for deduction.) Furthermore, you may get a hardship distribution even if you cannot deduct these expenses because your casualty was not the result of a Federally-declared disaster.

Was the damage to the Participant's principal residence? yes no

Address of the residence:

Date of the casualty loss: ____/____/____

Briefly describe the cause of the casualty: _____

Name and address of service provider(s) for the repairs:

Briefly describe the repairs (including the **dates** on which the repairs took place):

Have the repairs been completed? yes no

Substantiation documents you must retain:

- Documentation of the damage
- Insurance submissions regarding damage
- Invoices for repairs
- Proof of payment

VIII. Expenses and Losses Due to Participant's Principal Residence or Place of Employment Located in Federally-Declared Disaster Area

Complete this Section if the Hardship Distribution will be used to pay for expenses or losses you suffered due to your home or place of employment being located in a Federally declared disaster area

Federally Declared Disaster Event: _____ Date(s) : _____

What is located within the disaster area: Home Principal Place of Business

Types of expenses/losses:

- Damage to real estate
- Damage to personal property
- Lost wages
- Rent for temporary living facilities
- Other: _____

Briefly describe the damages or losses for which you are taking a hardship distribution:

Name and address of service provider(s) for the repairs, expenses:

Substantiation documents you must retain:

- Documentation of the damages and losses
- Insurance submissions regarding damage
- Invoices/receipts for repairs, expenses incurred
- Proof of payment