

# HARDSHIP WITHDRAWAL REQUEST

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

PARTICIPANT: \_\_\_\_\_ Please Print BIRTH DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

SSN: \_\_\_\_\_ Please Print DAYTIME PHONE #: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

ADDRESS: \_\_\_\_\_ E-MAIL ADDRESS: \_\_\_\_\_

\_\_\_\_\_ Street

\_\_\_\_\_ City State Zip Code

## Section 1: WITHDRAWAL ELECTION - Completed by Participant

I have received and reviewed the SPECIAL TAX NOTICE REGARDING HARDSHIP DISTRIBUTIONS and as permitted by the Plan, I request the following hardship withdrawal from my Vested Account Balance under the Plan:

**Note: A distribution request must be made on account of an immediate and heavy financial hardship and must not exceed the amount needed to satisfy the financial need.**

**AMOUNT:** A.  \$ \_\_\_\_\_ (Specify Dollar Amount)

(Select One) B.  Maximum amount available

**REASON:** A.  Medical care that would be deductible under IRC 213(d) for me, my spouse, one or more of my dependents or my primary beneficiary under the plan (determined without regard to whether the expenses exceed 7.5% of adjusted gross income).

(Select One) B.  Costs directly related to the purchase of a principal residence (excluding mortgage payments) for me.

C.  Payments for tuition, related educational fees and room and board expenses for the next 12 months of post-secondary education, for me, my spouse, my child, one or more of my dependents or my primary beneficiary under the plan.

D.  Payments necessary to prevent eviction from my principal residence or to prevent foreclosure on the mortgage of my principal residence.

E.  Payment for burial or funeral expenses for my deceased parent, spouse, child, dependent or my primary beneficiary under the plan.

F.  Expenses for the repair of damage to my principal residence that would qualify for the casualty deduction under IRC 165 (determined without regard to whether the loss exceeds 10% of adjusted gross income).

G.  Loss incurred in a Federally declared disaster area where my principal residence or principal place of employment is located.

**FEDERAL TAX WITHHOLDING:** A.  Withhold Federal tax (See Special Tax Notice Regarding Hardship Distributions that accompanies this form)

(Select One)  Check this box to increase the amount of your withdrawal to cover the 10% federal tax withholding (if sufficient funds are available).

B.  Do not withhold Federal tax

I understand that:

- My election is irrevocable.
- My election serves as a waiver of the Qualified Annuity Benefit only for the portion of my Account Balance I am withdrawing.
- The Trustee of 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.
- This distribution is taxable to me regardless of whether I choose to have tax withheld at this time, an additional 10% excise tax may apply if I'm under age 59 ½, and that state taxes will apply
- I should consult my own tax adviser with respect to the proper method of reporting any distribution I receive from the Plan

I hereby certify that I have insufficient cash or other liquid assets to satisfy this financial need. 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.

**SIGNATURE:** \_\_\_\_\_

Participant

**DATE:** \_\_\_\_/\_\_\_\_/\_\_\_\_

**Section 2: OPTIONAL ELECTRONIC FUND TRANSFER - Completed by Participant**

Generally a distribution check will be mailed directly to your address (provided above). When **plan provisions and investments permit**, you may elect to have your distribution transferred electronically. Complete this section to request an electronic transfer of funds.

- Electronic Transfer Type:            Direct Deposit / ACH            Wire (verify bank accepts wires; fees may apply)
- Bank Name: \_\_\_\_\_
- Bank Routing (ABA) Number: \_\_\_\_\_ (9 digits)
- Bank Account Number: \_\_\_\_\_
- Account Type:                    Checking Account            Savings Account

**Section 3: APPROVAL OR DENIAL OF HARDSHIP WITHDRAWAL - Completed by Employer**

- The above hardship distribution is approved.
- The above hardship distribution is denied. A written explanation of the reasons for denial will be provided to the participant.

**SIGNATURE:** \_\_\_\_\_  
Authorized Plan Representative

**DATE:** \_\_\_\_/\_\_\_\_/\_\_\_\_

Return completed form to: Sikich LLP 13400 Bishops Lane, Suite 300, Brookfield, WI 53005 Fax # 262-754-9401

**SPECIAL TAX NOTICE REGARDING HARDSHIP DISTRIBUTIONS**

This notice contains important tax information on the payment of hardship distribution amounts from the Plan.

WHEN A HARDSHIP DISTRIBUTION IS PAID TO YOU FROM YOUR PLAN ACCOUNT BALANCE:

(1) The hardship distribution is subject to Federal income tax withholding unless you elect not to have withholding apply. Regardless of whether you choose to have tax withheld, this distribution is taxable income to you.

If you elect withholding, 10% Federal Tax will be withheld. This amount will be sent to the IRS to be credited against your taxes due.

EXAMPLE:

If your hardship distribution is \$5,000, only \$4,500 will be paid to you because the Plan will withhold \$500 as income tax. However, when you prepare your income tax return for the year, you will report the \$5,000 as a payment from the Plan. You will also report the \$500 tax withheld, and it will be credited against any income tax you owe for the year.

You will most likely owe more than the tax amount withheld. Your actual tax will be based on your regular tax rate for the year you receive the hardship distribution.

(2) If you elect not to have withholding apply to your distribution or if you do not have enough Federal income tax withheld from your distribution, you may be responsible for the payment of estimated tax. You may incur penalties under the estimated tax rules if you withholding and estimated tax payments are not sufficient.

(3) If you receive this hardship distribution before age 59 ½, you may also have to pay an additional 10% excise tax. This tax is in addition to the regular income tax. The additional 10% tax does not apply to your distribution if it is used to pay certain medical expenses. See IRS form 5329 for more information on the additional 10% tax.

(4) You should also be aware that state income taxes will also apply.

**YOU MAY WANT TO CONSULT A TAX ADVISOR BEFORE MAKING A DECISION.**