

## **HRSA-ILA Annuity & Savings Plan Summary of Hardship Distribution and Supporting Documentation**

Your Annuity & Savings Plan is intended to provide you with a more secure retirement.

However, situations may arise when you have an immediate and heavy financial need for money which cannot be satisfied from other sources.

To qualify for a hardship distribution from the HRSA-ILA Annuity & Savings Plan your hardship must fall into one of these four categories:

1. Unreimbursed Medical Care
2. Prevention of Eviction or Foreclosure
3. Tuition and related Educational Expenses
4. Casualty Loss on Principal Residence

Please review the applicable section to determine if you qualify for a hardship distribution and for the documentation that you must submit with your application. A worksheet for each category of hardship is available to assist you in completing your application.

Funds for a hardship distribution may only be drawn from the voluntary contributions that you have made to the Annuity & Savings Plan and cannot exceed the amount required to meet the need created by such a financial hardship. The funds eligible for inclusion in a hardship distribution do not include earnings on the voluntary contributions and they do not include amounts rolled over from prior plans.

A member who receives a hardship distribution from the Plan is not permitted to make voluntary contributions to the Annuity & Savings Plan for a minimum of six months after a distribution.

To apply for a hardship distribution, you are required to furnish specific documentation to HRSA-ILA that details the financial hardship, the amount, and in whose name those debts apply to. If you are married, you are required to submit a spousal waiver that has been signed by your spouse and notarized.

**After you have returned the documentation described in this summary, someone in the HRSA-ILA office will call you to schedule an appointment to complete your application for a hardship distribution.**

**A completed application for hardship withdrawal consists of:**

- Participant Hardship Statement
- A hardship withdrawal worksheet and supporting documentation
- A signed and notarized “Waiver of Qualified Preretirement Survivor Annuity”, if you are married
- Deferred Salary Agreement
- Supporting documentation

**A DISTRIBUTION WILL BE DELAYED IF ALL REQUIRED ITEMS  
HAVE NOT BEEN COMPLETED**

**1. Medical Care – Medical expenses for you, your spouse or your dependents may qualify for hardship distribution. Generally any medical expenses that are considered by the IRS to be a deductible medical expense will qualify for a hardship distribution. Complete the Worksheet for Hardship Withdrawal for Medical Expenses**

**A. You may receive a hardship distribution for the following items:**

- ◆ Operations/treatment affecting any part of the body
- ◆ Obstetrical expenses
- ◆ Therapy
- ◆ X-ray treatments
- ◆ Hospital services
- ◆ Nursing services
- ◆ Medical services
- ◆ Laboratory services
- ◆ Surgical services
- ◆ Dental services
- ◆ Diagnostic services
- ◆ Healing services
- ◆ Medicine and drugs, if legally procured
- ◆ Artificial teeth
- ◆ Artificial limbs
- ◆ Ambulance hire
- ◆ Lodging (while away from home primarily for and essential to medical care, limited to \$50 per night)
- ◆ Transportation for and essential to receipt of medical care
- ◆ Eyeglasses
- ◆ Seeing eye dog
- ◆ Wheelchair
- ◆ Crutches
- ◆ Inclinator
- ◆ Air conditioner, detachable from property and purchased only for the use of a sick person
- ◆ Capital expenditures, operation and maintenance for permanent improvement or betterment of the property advised by a physician (example, an elevator for an afflicted individual), limited to the difference between the increase in property value due to the improvement and the cost of installing the improvement.
- ◆ Attendance at a special school for a mentally or physically handicapped individual
- ◆ Qualified long-term care services defined as: necessary diagnostic, preventative, therapeutic, curing, treating, mitigating, and rehabilitative services, and maintenance or personal care services, that are required by a chronically ill person as certified by a healthcare practitioner. An individual is “chronically ill” if he/she is unable to perform at least 2 activities of daily living (e.g., eating, toileting, transferring, bathing, dressing, and continence); or requires substantial supervision to protect the individual’s health and safety due to severe cognitive impairment.

- ◆ Premium payments under a qualified long-term care insurance contract. The payment of these premiums is limited to the following amounts:

*Age before the Close of the Taxable Year*

*The Annual Limitation is:*

40 or less	\$200
More than 40 but not more than 50	\$375
More than 50 but not more than 60	\$750
More than 60 but not more than 70	\$2,000
More than 70	\$2,500

*Indexing: For any taxable year after 2009, each of the above dollar amounts shall be increased by the medical care cost adjustment (as prescribed by the Treasury Secretary) each calendar year. Any increase that is not a multiple of 10, shall be rounded to the nearest multiple of 10.*

- ◆ Medical insurance premiums including COBRA premiums for a 12 month period.

**B. You cannot receive a hardship distribution for the following Medical Care Expenses:**

- ◆ Amounts expensed for illegal operations/treatments
- ◆ Toiletries, cosmetics, or sundry items
- ◆ Expenditures beneficial to the general health (i.e., vacations, hot tub, swimming pool)
- ◆ Capital expenditures, in general, except as described in “A” above.
- ◆ Insurance policies providing indemnity against loss of income or for loss of life, limb, sight
- ◆ Expenses for surgery solely for cosmetic reasons.

**C. Documentation - If you request a hardship distribution for medical expenses, you must have documentation to support your request. HRSA-ILA requires that this documentation be attached to your application. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. The following documentation is acceptable:**

**1. Some Medical Care Expenses are paid for by your insurance company. Others are not. For the portion of those Medical Care Expenses that your insurance company will not pay (unreimbursed qualifying Medical Care expenses):**

- ◆ Bill for service
- ◆ Explanation of Benefits for each bill submitted indicating:
  - Service rendered that qualifies as a Medical Care expense
  - Date of such service
  - Amount of coverage paid
  - Amount currently owed
  - If you cannot produce an Explanation of Benefits, you must obtain a copy from the insurance company. If the company cannot provide a copy, you may obtain a copy of the medical history with respect to the service rendered, including any amount paid by the insurance company.

**2. Some Medical Care Expenses will not be covered at all by your insurance company. For qualifying Medical Care expenses for treatment not covered by the Participant’s insurance policy:**

- ◆ Explanation of Benefits evidencing a denial of coverage; or
- ◆ A letter from the insurance company stating that no Explanation of Benefits is available.

**3. If you are required to prepay certain Medical Care Expenses at the time you receive treatment:**

- ◆ Estimate of the cost for the procedure from the insurance company
- ◆ Letter from the medical professional stating that payment is required either in advance or at the time of the procedure.

**4. If you will be paying for your Medical Care Expenses in installments:**

- ◆ Explanation of Benefits evidencing the service rendered and that the lifetime maximum permitted by the insurance company has been reached.
- ◆ A current bill showing the remaining amount to be paid.

## **2. Prevention of Eviction or Foreclosure**

### **A. You may receive a hardship if the distribution is necessary for the following:**

- ◆ To prevent eviction from your principal residence.
- ◆ To prevent foreclosure on the mortgage of your principal residence.
- ◆ The amount of the hardship may be in an amount sufficient to bring all payments current as of the date such funds are received.

### **B. If you request a hardship distribution to prevent eviction or foreclosure, you must have documentation to support your request. HRSA-ILA requires that you produce this documentation when you apply. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. Complete the Worksheet for Hardship Withdrawal for Prevention of Eviction or Foreclosure. The following documentation is acceptable.**

#### **1. Eviction from the principal residence:**

- ◆ Eviction notice issued by the landlord, apartment complex, court, or any other authorized entity and shall state the amount to be paid to prevent eviction and that such payments are past due.
- ◆ If the eviction notice is issued by an individual rather than a rental organization, you must also supply a copy of the lease agreement and a signed statement from the landlord.

#### **2. Foreclosure on the principal residence:**

- ◆ Notice of foreclosure, (stating that proceedings have commenced or will commence either immediately or on a specific date), which must:
  - Be issued by a bank, mortgage company, or other qualified lending institution.
  - State the amount due to bring the mortgage current
  - State that foreclosure proceedings will commence immediately if the amounts owed are not paid.

### **3. Payment of Tuition and Related Education Fees**

**A. You may receive a hardship for the following fees and expenses for you, your spouse or your dependent children:**

- ◆ Tuition
- ◆ Related educational fees, including books
- ◆ Room and board expenses

**B. The fees and expenses must be incurred by one of the following accredited institutions:**

- ◆ State-sponsored university
- ◆ State-sponsored college
- ◆ State-sponsored vocational school
- ◆ State-sponsored technical school
- ◆ Private university
- ◆ Private college
- ◆ Private vocational school
- ◆ Private technical school
- ◆ Institution must require a high school diploma or recognized equivalent for admission
- ◆ Institution must award a bachelors, graduate or professional degree or minimum two-year academic credits toward a bachelors degree

**C. Tuition and Related Educational Expenses Shall NOT INCLUDE:**

- ◆ Non-academic related expenses
- ◆ Courses designed to sell products
- ◆ Programs that have been conducting classes for less than two years

**D. If you request a hardship distribution for tuition and related educational fees, you must have documentation to support your request. HRSA-ILA requires that you produce this documentation with your application. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. Complete the Worksheet for Hardship Withdrawal for Tuition and Related Education Expenses. The following documentation is acceptable:**

**1. For initial enrollment**

- ◆ A current tuition bill indicating:
  - Name of the student
  - Courses in which the student is enrolled
  - Stating whether expenses for room and board are included
  - Summary of Financial Aid
- ◆ In lieu of a current tuition bill, a letter from the Office of the Registrar as proof of acceptance to the institution and listing tuition charges.

**2. For initial and on-going enrollment:**

- ◆ A current tuition bill indicating:
  - Name of the student
  - Courses in which the student is enrolled

- Stating whether expenses for room and board are included
  - Summary of Financial Aid
- ◆ The tuition bill may also be used to calculate anticipated financial need for the remainder of the academic year.

**3. For summer sessions:**

- ◆ A current tuition bill indicating:
- Name of the student
  - Courses in which the student is enrolled
  - Stating whether expenses for room and board are included
  - Summary of Financial Aid





Hardship Withdrawal Request
401(k) Plan

HRSA-ILA Annuity & Savings Plan

780333-01

When would I use this form?

When I am requesting a withdrawal due to a Hardship.

Please note that this withdrawal request may be subject to an administrative review period prior to processing and the investments in your account will not be sold until the withdrawal is processed.

I should not use this form:

- If I have not taken all of my other withdrawal options under the plan. To find out if I am eligible, see the Additional Information below for website information or to contact Service Provider.
If I have separated from service with the plan sponsor sponsoring this Plan, I should use the Separation from Employment Withdrawal Request.
If I am eligible to request an in-service withdrawal from my Plan or if I am 59 1/2 or older, I should use the In-Service Withdrawal Request.
If this account was transferred to me due to death, I should use the Death Benefit Claim Request.
If this account was transferred to me due to divorce, I should use the Alternate Payee QDRO Distribution Request.

Additional Information

- By logging into my account on the website at empowermyretirement.com, I may track the status of this withdrawal request.
For assistance completing this hardship form, call us at 1-866-442-3888.
Return Instructions for this form are in Section H.
Use black or blue ink when completing this form.

A What is my personal information?

(Continue to the next section after completing.)

Account extension, if applicable, identifies a participant with multiple accounts.

Account Extension

U.S. Social Security/U.S. Taxpayer Identification Number (Must provide all 9 digits)

Last Name

First Name

M.I.

Date of Birth (mm/dd/yyyy) Required

(The name provided MUST match the name on file with Service Provider.)

Married Unmarried

Mailing Address on My Account

( )

Daytime Phone Number

City

State

Zip Code

( )

Alternate Phone Number

- I have confirmed the address on my account by accessing my account online at empowermyretirement.com. If the address on my account does not match the address provided above, there will be processing delays.
If I require an address change, I need to obtain and submit a Personal Information Change form found on the above website or I need to contact Service Provider at 1-833-569-2433.
It is my responsibility to also update my address with the plan sponsor.
Once the address is updated, I may submit this form with my new address entered above.

By providing my mobile number and/or my email address below, I am consenting to receive text messages and/or emails related to this request.

( )

Mobile Phone Number - Standard data fees and text messaging rates may apply based on my carrier.

Email Address

Select One (Required):



- I am a U.S. Citizen or U.S. Resident Alien.
I am a Non-Resident Alien or Other. (Complete 'Non-Resident Alien or Other Certification' section.)

Required - Provide Country of Residence:

Last Name

First Name

M.I.

U.S. Social Security Number

<b>B</b>	<p><b>What is my reason for this Hardship withdrawal?</b> <span style="float: right;"><i>(Continue to the next section after completing.)</i></span></p> <p><input type="checkbox"/> <b>Medical Care</b> Expenses for (or necessary to obtain) medical care deductible under Internal Revenue Code ("IRC") §213(d) for myself, spouse or dependents determined without regard to whether the expenses exceed 10% of adjusted gross income.</p> <p><input type="checkbox"/> <b>Principal Residence</b> Costs directly related to the purchase of my principal residence (not including mortgage payments).</p> <p><input type="checkbox"/> <b>Eviction or Foreclosure</b> To prevent eviction from my principal residence or foreclosure on the mortgage of my principal residence. I certify that there are no legal proceedings that can prevent foreclosure or eviction.</p> <p><input type="checkbox"/> <b>Tuition</b> Payment of tuition, related educational fees, and room and board expenses for up to the next twelve months of post secondary education for myself, spouse, children, or dependents as defined in IRC §152 (without regard to IRC 152(b)(1), (b)(2) and (d)(1)(B)).</p> <p><input type="checkbox"/> <b>Funeral Expenses</b> Payments for burial or funeral expenses for my deceased parent, spouse, children, or dependent (as defined in IRC §152 without regard to IRC 152(d)(1)(B)).</p> <p><input type="checkbox"/> <b>Principal Residence Repair</b> Expenses for repair of damage to my principal residence that would qualify for the casualty deduction as defined in IRC §165 (determined without regard to IRC 165(h)(5) and whether the loss exceeds 10% of my adjusted gross income).</p> <p><input type="checkbox"/> <b>Expenses and Losses Incurred on the Account of a Federally Declared Disaster</b> Expenses and losses (including loss of income) incurred on account of a federally declared disaster, provided my principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.</p>
<b>C</b>	<p><b>What amount am I requesting for my Hardship withdrawal?</b> <span style="float: right;"><i>(Continue to the next section after completing.)</i></span></p> <p>Total cost of the event(s) causing hardship: \$ _____ <input type="checkbox"/> Net Amount</p> <ul style="list-style-type: none"> <li>Amount of the withdrawal request cannot exceed the amount of the hardship.</li> </ul> <p>If I check the Net Amount box, the amount written on the line, is the amount I will receive after applicable income taxes and fees (<i>not including any delivery charges</i>) are withheld.</p> <ul style="list-style-type: none"> <li>For example: If the amount I am requesting is \$10,000.00, and my total tax/fee withholding is \$1,500.00, the total amount taken from my account will be \$11,500.00, resulting in a payment of \$10,000.00 to me.</li> </ul> <p>If I do not check the Net Amount box, the amount I will receive will be less than the amount requested after applicable income taxes and fees (<i>not including any delivery charges</i>) are withheld.</p> <ul style="list-style-type: none"> <li>For example: If the amount I am requesting is \$10,000.00, and my total tax/fee withholding is \$1,500.00, the total amount taken from my account will be \$10,000.00, resulting in a payment of \$8,500.00 to me.</li> <li>The amount I request for hardship may not exceed the amount of my financial need.</li> <li>If the amount requested exceeds available funds or exceeds limits imposed by IRC, regulations and/or Plan terms, the hardship will be processed for the maximum amount available.</li> <li><b>If my request is approved, and unless the Plan has directed otherwise, the Hardship withdrawal will be prorated across all available money sources and investment options.</b></li> <li><b>My withdrawal may be subject to fees and/or loss of interest based upon my investment options, my length of time in the Plan and other possible considerations. If I have not been advised of the fees and risks associated with my withdrawal, I may contact Service Provider for a withdrawal quote at 1-833-569-2433.</b></li> </ul>
<b>D</b>	<p><b>How do I want my Hardship withdrawal delivered?</b> <span style="float: right;"><i>(Continue to the next section after completing.)</i></span></p> <p><i>Select One - Once complete request is received in good order, delivery of payment is based on completion of the withdrawal process and the timing of approval.</i></p> <ul style="list-style-type: none"> <li>If no option is selected, all transactions will be sent by United States Postal Service (USPS) regular mail.</li> <li>If I would like to make a change to what I previously selected, I must cross out and initial the change(s). If I do not initial all changes, all transactions will be sent by USPS regular mail.</li> </ul> <p><input type="checkbox"/> <b>Check by USPS Regular Mail</b></p> <ul style="list-style-type: none"> <li>Estimated delivery time is up to 5 business days.</li> <li>No additional charge.</li> </ul> <p><input type="checkbox"/> <b>Check by Express Delivery</b></p> <ul style="list-style-type: none"> <li>Estimated delivery time is 1-2 business days.</li> <li>A non-refundable charge of up to \$30.00 will be deducted, in addition to any withdrawal fees.</li> <li>Available for delivery, Monday - Friday, with no signature required upon delivery.</li> <li>If address is a P.O. Box, check will be sent by USPS Priority Mail and estimated delivery time is 2-3 business days.</li> </ul>

Last Name

First Name

M.I.

U.S. Social Security Number

Number

**E Non-Resident Alien or Other Certification** *(Continue to the next section after completing.)*  
*Complete only if I indicated I am a non-resident alien or other under Section A of this form.*

**Do not complete if U.S. Citizen or U.S. Resident Alien was indicated in Section A of this form.**

Under penalty of perjury, if I checked Non-Resident Alien or Other in Section A of this form, my signature certifies that:

- I am the individual that is the beneficial owner of all the income to which this form relates or is using this form to document myself for chapter 4 purposes.
- I am not a U.S. person.
- The income to which this form relates is:
  - a. not effectively connected with the conduct of a trade or business in the United States,
  - b. effectively connected but is not subject to tax under applicable income tax treaty, or
  - c. the partner's share of a partnership's effectively connected income.
- I am a resident of the treaty country listed below under the "Claim of Tax Treaty Benefits" (if any) within the meaning of the income tax treaty between the United States and that country.
- I agree that I will submit a Form W8-BEN within 30 days if any certification made on this form becomes incorrect.

**Identification of Beneficial Owner**

Country of citizenship \_\_\_\_\_ Foreign tax identifying number \_\_\_\_\_

Permanent resident address (street, apt. or suite no., or rural route) **Do not use P.O. Box or in-care of address**

City or town, state or province. Include postal code where appropriate. \_\_\_\_\_ Country \_\_\_\_\_

Mailing Address (if different from above)

City or town, state or province. Include postal code where appropriate. \_\_\_\_\_ Country \_\_\_\_\_

**Claim of Tax Treaty Benefits** *(for chapter 3 purpose only)*

I certify that the beneficial owner is a resident of \_\_\_\_\_ within the meaning of the income tax treaty between the United States and that country.

**Special rates and conditions** (if applicable): The beneficial owner is claiming the provisions of Article and paragraph \_\_\_\_\_ of the treaty identified on the line above to claim a \_\_\_\_\_% rate of withholding on (specify type of income):

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding:

**F How will my income taxes be withheld?** *(Continue to the next section after completing.)*

**Federal Income Tax**

- For your federal income tax withholding election, unless you elect out of withholding below, or otherwise complete the IRS Form W-4R (please go to [irs.gov](http://irs.gov) and enter *Form W-4R* into the search bar or call 1-800-TAX-FORM (829-3676)), federal income tax will be withheld at a rate of 10%. If you choose to make an alternate income tax withholding election, then you must complete and attach Form W-4R to this Withdrawal Form.
  - I elect not to have federal income tax withheld (must have U.S. residence address on file).
- I understand that I am still liable for the payment of federal income tax on the taxable amount. I also understand that I may be subject to tax penalties under the estimated tax payment rules if my payments of estimated tax and withholding, if any, are not adequate.

**State Income Tax**

I should refer to information from the Department of Revenue for my state of residence. If applicable, **I must attach my State Income Tax withholding form to make tax elections when required.** In the event the withholding form is required for my withdrawal and not submitted, Service Provider will withhold in accordance with applicable State regulations.

- State Income Tax withholding is mandatory in some states and will be withheld regardless of any election below. I would like **additional** State Income Tax withholding:

\_\_\_\_\_ % or \$ \_\_\_\_\_  
*(This is in addition to any mandatory State Income Tax withheld.)*

- Certain states allow an election for no State Income Tax withholding depending on the reason and type of withdrawal I have selected. For these states only, State Income Tax will be withheld unless I elect otherwise below.

If the checkbox is not marked below, I choose to have State Income Tax withheld from my withdrawal. I would also like to have **additional** State Income Tax withholding:

\_\_\_\_\_ % or \$ \_\_\_\_\_  
*(This is in addition to any elective State Income Tax withheld.)*

- Do not withhold State Income Tax *(if election is permitted and I have attached the proper election form if required by my state).*

Last Name \_\_\_\_\_

First Name \_\_\_\_\_

M.I. \_\_\_\_\_

U.S. Social Security Number \_\_\_\_\_

Number \_\_\_\_\_

**F How will my income taxes be withheld?** *(Continue to the next section after completing.)*

- Certain states do not require mandatory State Income Tax withholding but allow to elect State Income Tax withholding.
- I would like State Income Tax withheld - **Optional** State Income Tax withholding:

\_\_\_\_\_ % or \$ \_\_\_\_\_

*(If this optional income tax election is permitted. I also have attached the proper income tax election form if required by my state to elect this optional withholding.)***G Signatures and Consent** *(Signatures must be on the lines provided.)* *(After receiving ALL required signatures, continue to the next section.)***My Consent** *(Please sign on the 'My Signature' line below.)*

I acknowledge that I have received, read, understand and agree to all pages of this Hardship Withdrawal Request form and affirm that all information that I have provided is true and correct. I understand the following:

**Hardship Need Certification**

I acknowledge and I agree:

- The hardship withdrawal requested does not exceed the amount of my financial need (including any amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the withdrawal).
- I have obtained all available withdrawals (other than hardship withdrawals)(to the extent such withdrawals do not increase the amount of my financial need) under the Plan and all other plans maintained by the plan sponsor.
- I confirm that I have taken all eligible withdrawals under the plan.
- I represent that I have insufficient cash or other liquid assets reasonably available to satisfy the financial need.

I understand the following:

- Any election on this Hardship Withdrawal form is made voluntarily and is effective for 180 days.
- I am liable for any income tax and/or penalties assessed by the IRS and/or state tax authorities for any election I have chosen.
- Once a payment has been processed, it cannot be changed or reversed.
- In the event that any section of this form is incomplete or inaccurate, Service Provider may not process the transaction requested on this form and may require a new form or that I provide additional or proper information before the transaction can be processed.
- Funds may impose redemption fees on certain transfers, redemptions or exchanges if assets are held less than the period stated in the fund's prospectus or other disclosure documents. I will refer to the fund's prospectus and/or disclosure documents for more information.
- Under penalty of perjury, I certify that the U.S. Social Security number or U.S. Taxpayer Identification number I have provided in Section A is correct. I am a U.S. person if I marked the U.S. Citizen or U.S. Resident Alien box in Section A of this form.
- **Additional authentication may be necessary before my withdrawal is processed and/or payment released.**

Any person who presents a false or fraudulent claim is subject to criminal and civil penalties.

**My Signature** \_\_\_\_\_ **Date (Required)** \_\_\_\_\_***A handwritten signature is required on this form. An electronic signature will not be accepted and will result in a significant delay.*****My Spouse's Consent** *(If applicable, please have the Spouse sign on the 'Spouse's Signature' line below.)****Not Applicable if I am unmarried******If I am legally married, I must obtain my spouse's consent to request this withdrawal.*****Spouse to complete:** I (name of spouse), \_\_\_\_\_, the Participant's spouse, have read and understand the withdrawal request. I understand that I can refuse to consent to the withdrawal request and that my consent cannot be revoked or withdrawn once given. I further understand and voluntarily consent that the withdrawal to be made will reduce any future benefit I may be entitled to. Being fully apprised of these facts, I hereby voluntarily consent to this withdrawal request.

Last Name \_\_\_\_\_

First Name \_\_\_\_\_

M.I. \_\_\_\_\_

U.S. Social Security Number \_\_\_\_\_

Number \_\_\_\_\_

**G Signatures and Consent** *(Signatures must be on the lines provided.)* *(After receiving ALL required signatures, continue to the next section.)***My Spouse's Consent** *(If applicable, please have the Spouse sign on the 'Spouse's Signature' line below.)*  
*Not Applicable if I am unmarried***Spouse's Signature** \_\_\_\_\_ **Date (Required)** \_\_\_\_\_

The spouse's signature must be notarized by a Notary Public or witnessed by the participant's authorized Plan Administrator. If a Notary Public is used, the date of the spouse's signature on this form in the 'My Spouse's Consent' section must match the date of the Notary Public signature on the separate jurat or notarial certificate or in this section below. **Consent must be obtained no more than 180 days prior to the effective date of the original request in order to be effective. If your notary completes a separate jurat or notarial certificate, your spouse must still sign on the above spouse's signature line and enter the date on this form.**

**ATTENTION Notary Public: Make sure that you have reviewed the notary requirements for your state. If your state requires a separate jurat or notarial certificate, please complete and attach to this request.**

**We require that the following information must be included on the separate jurat or notarial certificate:** (1) name of document being notarized; (2) the plan name; (3) the plan number; and (4) participant's and spouse's names. Separate jurat or notarial certificates submitted that do not include this information will be rejected and will delay the withdrawal request. If your state does require a separate jurat or notarial certificate and you complete the section below, this statement of notary will be rejected and will delay the withdrawal request.

If your state does not require a separate jurat or notarial certificate, you may complete the notary section below.

**Statement of Notary****NOTE: Notary seal must be visible.**The consent to this request was subscribed and sworn *(or affirmed)*

State of \_\_\_\_\_ ) to before me on this \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_, by \_\_\_\_\_

**SEAL**)ss. **(name of spouse)** \_\_\_\_\_

County/Parish/Borough \_\_\_\_\_

proved to me on the basis of satisfactory evidence to be the person who appeared before me, who affirmed that such consent represents his/her free and voluntary act.

of \_\_\_\_\_ )

Notary Public's signature \_\_\_\_\_ My commission expires \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**A handwritten signature is required on this form. An electronic signature will not be accepted and will result in a significant delay.**

Notary Public's full name \_\_\_\_\_ Telephone number \_\_\_\_\_

**My Authorized Plan Administrator Signature** *(Please sign on the 'Authorized Plan Administrator Signature' line below.)*

This request is in compliance with the terms of the Plan. A written explanation of the tax rules and any Internal Revenue Service, Department of Labor or other notice requirements applicable to this request have been provided to the participant as required by law. The appropriate consent and waivers have been obtained by the Plan Administrator and Service Provider is authorized to rely on the information provided on this request. I hereby determine that the above participant is entitled to a withdrawal of the amount requested due to hardship and authorize the processing described on this form. I approve this withdrawal as it is presented on this form.

**If Spousal Consent notarization is not obtained, I have personal knowledge and hereby certify that this request was submitted and signed by the participant's spouse.**

I represent that I am an authorized signer on behalf of the above-named Plan and have an authority to instruct Service Provider to process this form.

**Authorized****Plan Administrator Signature** \_\_\_\_\_ **Date (Required)** \_\_\_\_\_**A handwritten signature is required on this form. An electronic signature will not be accepted and will result in a significant delay.****Print Full Name** \_\_\_\_\_**H Where should I send this form?****After all signatures have been obtained, this form can be****Uploaded Electronically:****OR****Sent Regular Mail to:****OR****Sent Express Mail to:**

Login to account at

Empower

Empower

**empowermyretirement.com**

PO Box 56025

8515 E. Orchard Road

Click on Upload Documents to submit

Boston, MA 02205-6025

Greenwood Village, CO 80111

We will not accept hand delivered forms at Express Mail addresses.

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Effective December 31, 2020, Empower acquired the Massachusetts Mutual Life Insurance Company's (MassMutual) retirement business. Empower administers the business on MassMutual's behalf, with certain administrative services being performed by MassMutual and its affiliates during a temporary transition period. Empower is not affiliated with MassMutual or its affiliates.

## Participant Hardship Withdrawal Guide - 401(k)

### The Hardship Withdrawal Request

#### Before completing the form, please note the following information:

- All pages of the Hardship Withdrawal Request form ("Withdrawal Form") must be returned.
- Neither this Guide nor this Withdrawal Form are intended to provide tax or legal advice. In the preparation of this Withdrawal Form, and where I deem appropriate, I will seek a consultation with my accountant and/or tax advisor.
- Empower ("Service Provider") cannot release the funds until my Plan Administrator approves the withdrawal from the Plan.
- **I must complete a separate Withdrawal Form for each account or plan number.**
- **If I am eligible to request an in-service withdrawal from my Plan or if I am 59½ or older, I should use the In-Service Withdrawal Request.**
- **If I am a Beneficiary, I need to complete and submit a Death Benefit Claim Request form rather than this Withdrawal Form.**
- **If I am an Alternate Payee, I need to complete and submit an Alternate Payee QDRO Distribution Request rather than this Withdrawal Form.**

#### Changes to My Request

- Any changes to this Withdrawal Form must be crossed out and initialed. If I do not initial all changes, this Withdrawal Form may be returned to me for verification.

#### Incomplete or Inaccurate Information

- In the event that any section of this Withdrawal Form is incomplete or inaccurate, Service Provider may not be able to process the transaction requested on this Withdrawal Form. I may be required to complete a new form or provide additional or proper information before the transaction will be processed.

### Section A: What is my personal information?

- All information in this section must be completed.
- The name provided MUST match the name on file with Service Provider.
- Personal information will be kept confidential.
- If I am a Non-Resident Alien, refer to the 'Non-Resident Alien or Other Certification' section of this Guide.
- I have confirmed the address on my account by accessing my account online at [empowermyretirement.com](http://empowermyretirement.com). If the address on my account does not match the address provided in this section, there will be processing delays.
- If I require an address change, I need to obtain and submit a Personal Information Change form found on the above website or I need to contact Service Provider at 1-833-569-2433.
- It is my responsibility to also update my address with the plan sponsor.
- Once the address is updated, I may submit this form with my new address entered in this section.

### Section B: What is my reason for this Hardship withdrawal?

- I must choose the reason for my hardship withdrawal in this section and attach the corresponding required documentation in order for my request to be processed.
- I am required to receive all withdrawals (other than hardship withdrawals), from this and all other plans maintained by the plan sponsor (including a related employer).

### Section C: What amount am I requesting for my Hardship withdrawal?

#### Available contribution source(s) for my Hardship withdrawal:

- BTK1 Deferred Salary
- The amount I request for hardship may not exceed the amount of my financial need.
- Unless the Net Amount box has been selected, the amount I request will be a gross amount; that is, Federal and/or State Income tax will be withheld from my requested amount.

### Section D: How do I want my withdrawal delivered?

- Once complete request is received in good order, delivery of payment is based on completion of the withdrawal process and the timing of approval.
- I must select a delivery option from the choices provided. If I do not make any selection, all transactions will be sent by United States Postal Service ("USPS") regular mail.
- Below is a description of each delivery option.

#### Check by USPS Regular Mail

- Estimated delivery time is up to 5 business days.
- No additional charge.

#### Check by Express Delivery

- Estimated delivery time is 1-2 business days.
- A non-refundable charge of up to \$30.00 will be deducted, in addition to any withdrawal fees.
- Available for delivery, Monday-Friday, with no signature required upon delivery.
- If the address is a P.O. Box, the check will be sent by USPS Priority Mail and estimated delivery time is 2-3 business days.
- Delivery is not guaranteed to all areas.

### Section E: Non-Resident Alien or Other Certification

- If I am a non-resident alien, I must complete the 'Non-Resident Alien or Other Certification' section on this form.
- The withholding rate applicable to my payment is the thirty percent (30%) unless a reduced rate applies because my country of residence has entered into a tax treaty with the U.S. and the treaty provides for reduced withholding rate or an exemption from withholding. In order to claim a treaty rate, I must complete the appropriate fields, tax treaty section, if applicable, and provide a U.S. Taxpayer Identification number. I may call 1-800-TAX-FORM (829-3676) or visit [irs.gov](http://irs.gov) for further information. If I need and as I see applicable, I will consult with my tax advisor to determine my appropriate tax withholding.

## Section F: How will my income taxes be withheld?

- If I do not have sufficient Federal or State Income Tax withheld from the taxable amount of my withdrawal, I will be responsible for payment of estimated tax and/or may incur penalties under estimated tax rules.
- I have attached IRS Form W-4R and/or my State's Income Tax withholding form with my elections, if required. If these forms are required for my withdrawal, and are not submitted, Service Provider will withhold in accordance with applicable Federal and State regulations.
- If I need and as I see applicable, I will consult with my tax advisor to determine my appropriate tax withholding.

### Federal Income Tax Withholding

- For your federal income tax withholding election, unless you elect out of withholding, or otherwise complete the IRS Form W-4R (please go to [irs.gov](http://irs.gov) and enter *Form W-4R* into the search bar or call 1-800-TAX-FORM (829-3676)), federal income tax will be withheld at a rate of 10%. If you choose to make an alternate income tax withholding election, then you must complete and attach Form W-4R to this Withdrawal Form.
- I understand that I am still liable for the payment of federal income tax on the taxable amount. I also understand that I may be subject to tax penalties under the estimated tax payment rules if my payments of estimated tax and withholding, if any, are not adequate.

### Income Tax Withholding Applicable to Payments Delivered Outside the U.S.

- If I am a U.S. citizen or U.S. resident alien and my payment is to be delivered outside the U.S. or its possessions, I may not elect out of Federal Income Tax withholding from the taxable amount of my withdrawal.

### Income Tax Withholding for a Non-U.S. Person

- If I am a non-resident alien, I must complete the 'Non-Resident Alien or Other Certification' section on this form.
- The withholding rate applicable to the taxable amount of my payment is thirty percent (30%) unless a reduced rate applies because my country of residence has entered into a tax treaty with the U.S. and the treaty provides for a reduced withholding rate or an exemption from withholding. In order to claim a treaty rate, I must complete the appropriate fields, tax treaty section, if applicable, and provide a U.S. Taxpayer Identification number. I may call 1-800-TAX-FORM (829-3676) or visit [irs.gov](http://irs.gov) for further information. If I need and as I see applicable, I will consult with my tax advisor to determine my appropriate tax withholding.

### State Income Tax Withholding

- If applicable, I will attach my State's Income Tax withholding form to make tax elections when required. In the event these forms are required for my withdrawal and not submitted, Service Provider will withhold in accordance with applicable state regulations.
- If I live in the state that mandates State Income Tax withholding, State Income Tax will be withheld. If I wish to have additional State Income Tax withheld, I may elect so by entering a percentage or dollar amount on the line provided.
- Certain states allow an election for no State Income Tax withholding depending on the reason and type of withdrawal I have selected. For these states only, State Income Tax will be withheld unless I properly elect otherwise on the form.
- Certain states do not require mandatory withholding but allow to elect State Income Tax withholding depending on the reason and type of withdrawal I have selected. If I elect this, State Income Tax will be withheld based on a default rate/rules provided by the state of my residence. I may elect to have an additional State Income Tax withheld by entering a percentage or a dollar amount on the line provided.
- **For more information and applicable forms or documentation that may be required for my state, refer to the appropriate state tax authority.**

## Section G: Signatures and Consent

- ***Handwritten signatures are required on this form. Electronic signatures will not be accepted and will result in a significant delay.***

### My Consent

- My signature and the date are required.
- I attest to receiving, reading, understanding and agreeing to all provisions of this Withdrawal Form Request and the Participant Hardship Withdrawal Guide.

### My Spouse's Consent (if applicable)

- If my marital status in Section A is married and my Plan is subject to the spousal consent requirements of ERISA or otherwise requires spousal consent, I must have my spouse sign in this section of this Withdrawal Form, and my spouse's signature must be notarized in this section or witnessed by my authorized Plan Administrator.
- My spouse's consent must be obtained no more than 180 days prior to my withdrawal date.

### My Authorized Plan Administrator Signature

- My authorized Plan Administrator's signature is required in order for this Withdrawal Form to be processed.

## Section H: Where should I send this form?

- Once I have completed this Withdrawal Form, including obtaining all signatures, I must forward it according to the instructions listed in this section.
- If I have elected to upload this Withdrawal Form, I need to allow 2-4 hours for confirmation of receipt before I check on the status and confirm that all pages have been received.
- We will not accept hand delivered forms at Express Mail addresses.

## Important Note

- Although every effort is made to keep the information in this Guide current, it is subject to change without notice. Federal, state, and local tax laws may be revised, and new Plan provisions may be adopted by the Plan. For the most up to date version of this Guide, please visit the website at [empowermyretirement.com](http://empowermyretirement.com) or call Client Service at 1-833-569-2433.
- Access to the Voice Response System or the website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades, maintenance or for other reasons.
- For more information about available investment options, including fees and expenses, I may obtain applicable prospectuses and/or disclosure documents regarding Plan investments and fees available from my Plan administrator and/or Plan Service representative. Read them carefully before investing.

# **Hardship Withdrawal for Medical Care**

**Updated 1/9/2020**

**A. You may receive a hardship distribution for the following items.  
Please itemize:**

- 1. \$ \_\_\_\_\_ Operations/treatment affecting any part of the body**
- 2. \$ \_\_\_\_\_ Obstetrical expenses**
- 3. \$ \_\_\_\_\_ Therapy**
- 4. \$ \_\_\_\_\_ X-ray treatments**
- 5. \$ \_\_\_\_\_ Hospital services**
- 6. \$ \_\_\_\_\_ Nursing services**
- 7. \$ \_\_\_\_\_ Medical services**
- 8. \$ \_\_\_\_\_ Laboratory services**
- 9. \$ \_\_\_\_\_ Surgical services**
- 10. \$ \_\_\_\_\_ Dental services**
- 11. \$ \_\_\_\_\_ Diagnostic services**
- 12. \$ \_\_\_\_\_ Healing services**
- 13. \$ \_\_\_\_\_ Medicine and drugs, if legally procured**
- 14. \$ \_\_\_\_\_ Artificial teeth**
- 15. \$ \_\_\_\_\_ Artificial limbs**
- 16. \$ \_\_\_\_\_ Ambulance hire**

17. \$ \_\_\_\_\_ **Lodging (while away from home primarily for and essential to medical care, limited to \$50 per night)**
18. \$ \_\_\_\_\_ **Transportation for and essential to receipt of medical care**
19. \$ \_\_\_\_\_ **Eyeglasses**
20. \$ \_\_\_\_\_ **Seeing eye dog**
21. \$ \_\_\_\_\_ **Wheelchair**
22. \$ \_\_\_\_\_ **Crutches**
23. \$ \_\_\_\_\_ **Inclinor**
24. \$ \_\_\_\_\_ **Air conditioner, detachable from property and purchased only for the use of a sick person**
25. \$ \_\_\_\_\_ **Capital expenditures, operation and maintenance for permanent improvement or betterment of the property advised by a physician (example, an elevator for an afflicted individual), limited to the difference between the increase in property value due to the improvement and the cost of installing the improvement.**
26. \$ \_\_\_\_\_ **Attendance at a special school for a mentally or physically handicapped individual**
27. \$ \_\_\_\_\_ **Qualified long-term care services defined as: necessary diagnostic, preventative, therapeutic, curing, treating, mitigating, and rehabilitative services, and maintenance or personal care services, that are required by a chronically ill person as certified by a healthcare practitioner. An individual is “chronically ill” if he/she is unable to perform at least 2 activities of daily living (e.g., eating, toileting, transferring, bathing, dressing, and continence); or requires substantial supervision to protect the**

**individual's health and safety due to severe cognitive impairment.**

**28. \$ \_\_\_\_\_ Premium payments under a qualified long-term care insurance contract. The payment of these premiums is limited to the following amounts:**

<i>Age before the Close of the Taxable Year</i>	<i>The Limitation is:</i>
40 or less	\$200
More than 40 but not more than 50	\$375
More than 50 but not more than 60	\$750
More than 60 but not more than 70	\$2,000
More than 70	\$2,500

*Indexing: For any taxable year after 1997, each of the above dollar amounts shall be increased by the medical care cost adjustment (as prescribed by the Treasury Secretary) each calendar year. Any increase that is not a multiple of 10, shall be rounded to the nearest multiple of 10.*

**29. \$ \_\_\_\_\_ Medical insurance premiums, including COBRA premiums for a 12 month period.**

**30. \$ \_\_\_\_\_ Other Medicare-covered expenses. Medical expenses not listed above that would be covered by Medicare, but not reimbursed to the participant because he or she is not on Medicare.**

**\$ \_\_\_\_\_ GRAND TOTAL  
QUALIFYING EXPENSES.**

**LIMITED TO THE LESSER OF: (HRSA-ILA FILLS THIS IN  
FROM DATA SUPPLIED BY  
MASSMUTUAL)**

**\$ \_\_\_\_\_ TOTAL VOLUNTARY  
CONTRIBUTIONS TO THE  
ACCOUNT (SALARY  
DEFERRALS) BEFORE  
EARNINGS; OR**

**\$ \_\_\_\_\_ TOTAL VOLUNTARY  
ACCOUNT BALANCE**

**B. You cannot receive a hardship distribution for the following Medical Care Expenses:**

- ◆ Amounts expensed for illegal operations/treatments
- ◆ Toiletries, cosmetics, or sundry items
- ◆ Expenditures beneficial to the general health (i.e., vacations)
- ◆ Capital expenditures, in general, except as described in “A” above.
- ◆ Insurance policies providing indemnity against loss of income or for loss of life, limb, sight
- ◆ Expenses for surgery solely for cosmetic reasons.

**C. If you request a hardship distribution for medical expenses, you must have documentation to support your request. HRSA-ILA requires that you produce this documentation. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. The following documentation is acceptable:**

**(Check off documentation you are providing)**

**1. Some Medical Care Expenses are paid for by your insurance company. Others are not. For the portion of those Medical Care Expenses that your insurance company will not pay (unreimbursed qualifying Medical Care expenses):**

\_\_\_\_\_ Bill for service

\_\_\_\_\_ Explanation of Benefits for each bill submitted indicating:

- Service rendered that qualifies as a Medical Care expense
- Date of such service
- Amount of coverage paid
- Amount currently owed
- If you cannot produce an Explanation of Benefits, you must obtain a copy from the insurance company. If the company cannot provide a copy, you may:

\_\_\_\_\_ obtain a copy of the medical history with respect to the service rendered, including any amount paid by the insurance company.

**2. Some Medical Care Expenses will not be covered at all by your insurance company. For qualifying Medical Care expenses for treatment not covered by the Participant’s insurance policy:**

\_\_\_\_\_ Explanation of Benefits evidencing a denial of coverage; or

\_\_\_\_\_ A letter from the insurance company stating that no Explanation of Benefits is available.

**3. If you are required to prepay certain Medical Care Expenses at the time you receive treatment:**

\_\_\_\_\_ Estimate of the cost for the procedure from the insurance company

\_\_\_\_\_ Letter from the medical professional stating that payment is required either in advance or at the time of the procedure.

**4. If you will be paying for your Medical Care Expenses in installments:**

\_\_\_\_\_ Explanation of Benefits evidencing the service rendered and that the lifetime maximum permitted by the insurance company has been reached.

\_\_\_\_\_ A current bill showing the remaining amount to be paid.

**Submission of false or fraudulent information for the purpose of obtaining a benefit is a fraud, which under VA Code §18.2-178 is a crime punishable under applicable provisions of Virginia Law.**

**To receive the hardship withdrawal requested above, I hereby certify, acknowledge and agree that the following requirements have been or will be satisfied:**

- The amount requested pursuant to this hardship withdrawal request does not exceed the amount of my financial need for which I am requesting a hardship withdrawal, after applicable tax withholding and penalties.
- I have obtained all currently available distribution amounts available to me under this and any other plan of my plan sponsor/employer, including any in-service withdrawals from rollover and/or after tax employee contributions (in accordance with the plan document and applicable law). If there are additional amounts available for withdrawal under the plan other than for hardship reasons. I certify that such amounts (if any) have been paid to me prior to this request for a hardship withdrawal.; and
- I have sufficient cash or other liquid assets to satisfy the financial need for which I am requesting a hardship withdrawal.
- If I have not been required to supply documentation of my hardship event and hardship amount to my Plan Administrator in connection with my hardship withdrawal request, I understand and agree that I am required to maintain records of such documentation of the hardship event and amount, and I will provide such documentation to my Plan Administrator or its designee upon request.

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**Form Submitted by: (Participant Name - Please Print)**      **Port Number / SSN**

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**Participant Signature**      **Date**

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**Reviewed by:**      **Date**

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**Approved by:      Plan Administrator**      **Date**



# **SPECIAL TAX NOTICE - HARDSHIP DISTRIBUTIONS**

Updated 6/30/2017

This Notice contains important information about federal income tax consequences of a hardship distribution from the HRSA-ILA Annuity & Savings Plan. Please read it carefully and discuss it with your tax advisor prior to making the election to receive a Hardship Distribution from the Plan.

## **HARDSHIP PAYMENT PAID TO YOU**

**NOT ELIGIBLE FOR ROLLOVER.** Hardship distributions from the HRSA-ILA Annuity & Savings Plan are not eligible for rollover to another qualified plan. This means you will not have the option to continue to defer federal income tax on your retirement savings in the Plan through the rollover method.

**VOLUNTARY INCOME TAX WITHHOLDING.** Mandatory withholding rules for most Annuity & Savings Plan distributions do not apply. **However, hardship withdrawals are taxable, and additional taxes will be due upon tax filing if an adequate amount is not withheld.** You may elect to have additional federal and state taxes withheld in order to meet the tax obligation due on such distribution. If you do nothing, 10% will be taken out of this portion of your payment for federal income tax withholding. To make an additional tax withholding or to waive tax withholding, ask the Plan Administrator for the election form and related information.

**ADDITIONAL 10% TAX IF YOU ARE UNDER AGE 59½.** If you receive a payment before you reach age 59½ and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10% of the taxable portion of the payment. **Most hardship withdrawals, except for those made for medical or disability reasons, will be subject to the additional 10% tax in addition to federal and state income taxes.** The additional 10% tax generally does not apply to (1) payments that are paid after you separate from service with your employer during or after the year you reach age 55, or if you are a qualified public safety employee as described in Code Section 72(t)(10)(A), payments that are paid to you from a governmental defined benefit plan after you separate from service with your employer during or after the year you reach age 50, (2) payments that are paid because you retire due to disability, (3) payments that are paid as equal (or almost equal) payments over your life or life expectancy (or your and your beneficiary's lives or life expectancies), (4) dividends paid with respect to stock by an employee stock ownership plan (ESOP) as described in Code Section 404(k), (5) payments that are paid directly to the government to satisfy a federal tax levy, (6) payments that are paid to an alternate payee under a qualified domestic relations order, (7) payments that do not exceed the amount of your deductible medical expenses, (8) qualified reservist distributions as described in Code Section 72(t)(2)(G) made to an individual who is a reservist or national guardsman and who was ordered or called to active duty after September 11, 2001 and before December 31, 2007 for a period in excess of 179 days or for an indefinite period, and (9) qualified hurricane distributions made to qualified individuals as described in Code Section 1400Q(a). See IRS Form 5329 for more information on the additional 10% tax.

## **HOW TO OBTAIN ADDITIONAL INFORMATION**

This Notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The rules are complex and contain many conditions and exceptions that are not included in this Notice. Therefore, you may want to consult with a professional tax advisor BEFORE you take a payment of your benefits from the Plan. Also, you can find more specific information on the tax treatment of payments from qualified employer plans in IRS Publication 575, *Pension and Annuity Income*, and IRS Publication 590, *Individual Retirement Arrangements*. These publications are available from your local IRS office, on the IRS's Internet Web Site at [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORMS.