

403(b) Hardship Documentation Guidelines

The Plan and IRS define certain circumstances that can qualify for a hardship distribution from the Plan if you have exhausted other sources of assets. These are the only circumstances under which you may qualify for a hardship under the Plan. Evidence of the hardship must be provided to document both the nature of the hardship and amount of the hardship. As a general rule, documentation should be current, **dated within 90 days**, unpaid, and as descriptive as possible. Hardship applications and documentation will be reviewed for compliance with Plan and IRS rules. Submission of an application and documentation does not guarantee approval.

Hardship Questionnaire

- A. I can receive reimbursement from insurance or other sources to pay these expenses. Yes No
B. I can liquidate assets to pay these expenses Yes No

Participant Acknowledgment (REQUIRED): I have responded to the above questionnaire and certify that this distribution is necessary to pay for the hardship stated on the attached Hardship Distribution Form. You acknowledge this form as representation that you do not have necessary or liquid assets available to satisfy the hardship.

Participant SSN (required): _____ **Participant Initials (required):** _____

Please review the eligible hardship reasons below to ensure that your hardship meets one of the following allowable reasons. Proper documentation is necessary to assist with determining the net amount your request may be approved.

Eligible Hardship Reasons

Post- Secondary Education

Allowable Expenses: Tuition, fees, and room and board for up to the next 12 months of post-secondary education (such as through a university, college, or technical school) for you, your spouse, child, dependent, or primary beneficiary under the plan. **Note:** Loan repayment and postsecondary education expenses for education already obtained or paid for does not qualify.

Documentation Required: Tuition bill or financial statement from the institution that details the actual or estimated costs with specific student information, fees, and expenses. If room and board expenses are also requested, a statement from the landlord or residence hall. The dates of the semesters or educational period need to be identified.

Funeral Expenses

Allowable Expenses: Burial or funeral expenses for your parent, spouse, child, dependent, or primary beneficiary under the plan.

Documentation Required: Statement from funeral director or cemetery identifying services and costs together with deceased name, date of death, date of funeral or burial.

Health Expenses

Allowable Expenses: Cost of medical or dental expenses for you, your spouse, child, dependent, or primary beneficiary under the plan that is not otherwise covered by insurance. **Note:** Elective procedures, including most orthodontics, are not eligible.

Documentation Required: Recent bill from your medical/dental provider identifying the portion of the expenses that are your responsibility. If upfront payment is required to obtain medical care, a statement from the provider with an estimate of the costs to the patient. Documentation should include dates of service and explanation of services provided. Insurance statements are not sufficient.

Purchase of Primary Residence

Allowable Expenses: Costs directly related to the purchase of your principal residence such as a down payment or closing costs. Mortgage payments or second homes are not eligible.

Documentation Required: A statement from the mortgage company, realtor, or builder detailing the amounts of the down payment or closing costs. Commonly, this information is included in an "Official Loan Estimate" provided by the lender. An estimated closing date should be provided.

Eligible Hardship Reasons (continued)

Prevent Eviction or Foreclosure

Allowable Expenses: Amounts needed to prevent eviction from your principal residence or amounts needed to prevent foreclosure on your principal residence.

Documentation Required: Current written statement or notice from landlord, bank, or mortgage company on their letterhead detailing amounts due necessary to prevent the eviction or foreclosure. If written statement from landlord is provided, you must include a copy of the lease agreement.

Damage to Primary Residence

Allowable Expenses: Certain expenses for the repair of damage to my principal residence that would qualify for the casualty deduction under Internal Revenue Code Section 165.

Documentation Required: A copy of receipts for repairs or materials to repair your principal residence, insurance claim form showing the amount not reimbursed through the insurance coverage (do not include expenses for repair or replacement of any other personal property). A casualty event cannot be progressive in nature.

Federal Disaster Expenses

Allowable expenses: expenses and losses (including loss of income) incurred by you on account of a disaster, provided that your principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA.

Documentation Required: A copy of receipts for repairs or materials to repair your primary residence, insurance claim form showing the amount not reimbursed through the insurance coverage (do not include expenses for repair or replacement of any other personal property) and/or a copy of receipts for employee expenses that were incurred because of the FEMA disaster area. A casualty event cannot be progressive in nature.

457(b) Unforeseeable Emergency Documentation Guidelines

The Plan and IRS define certain circumstances that can qualify for an Unforeseeable Emergency distribution from the Plan, if you have exhausted all other sources of assets including loans. These are the only circumstances under which you may qualify for an Unforeseeable Emergency under the Plan. Evidence of the Unforeseeable Emergency must be provided to document both the nature and amount of the emergency. As a general rule, documentation should be current, **dated within 90 days**, unpaid, and as descriptive as possible. The 457(b) Unforeseeable Emergency Distribution Form and the supporting documentation will be reviewed for compliance with the Plan and IRS rules. Submission of an application and documentation does not guarantee approval.

Unforeseeable Emergency Questionnaire

- | | |
|---|--|
| A. I can alleviate this hardship by stopping contributions to my retirement plan(s). | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| B. I can receive reimbursement from insurance or other sources to pay these expenses. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| C. I can secure a personal loan to pay these expenses. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| D. I can liquidate assets to pay these expenses | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Participant Acknowledgment (REQUIRED): I have responded to the above questionnaire and certify that this distribution is necessary to pay for the Unforeseeable Emergency stated on the attached Unforeseeable Emergency Distribution Form. You acknowledge this form as representation that you do not have necessary or liquid assets available to satisfy the Unforeseeable Emergency.

Participant SSN (required): _____ **Participant Initials (required):** _____

Please review the eligible Unforeseeable Emergency reasons below to ensure that your hardship meets one of the following allowable reasons. Proper documentation is necessary to assist with determining the net amount your request may be approved

Eligible Unforeseeable Emergency Reasons

Illness or Accident

Explanation: Severe financial hardship resulting from sudden and unexpected illness or accident of the participant or beneficiary, the participant or beneficiary's spouse, primary beneficiary, child, or dependent.

Documentation Required: Provide an explanation of the unexpected illness or accident and provide copy of the funeral expenses or medical bills outlining the portion of expenses NOT covered by your insurance or other documentation applicable to the event. Insurance statements are not sufficient.

Property or Casualty Loss

Explanation: Loss of the participant's or primary beneficiary's property due to casualty, natural disaster, or other extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant or beneficiary. Casualty is commonly known to include fire, storms, earthquakes, hurricanes, and other natural or weather related disasters.

For more information regarding casualties, please visit
<http://www.irs.gov/pub/irs-pdf/p547.pdf>

Documentation Required: Provide an explanation of the casualty and include repair bills showing the amount needed to pay that is not covered by insurance. (Ex: Repair significant water damage.) It may include loss of wages if a natural disaster caused an inability to work.

Funeral Expenses

Explanation: Burial or funeral expenses for your parent, spouse, child, dependent, or primary beneficiary under the plan.

Documentation Required: Statement from funeral director or cemetery identifying services and costs together with deceased name, date of death, date of funeral or burial.

Other similar extraordinary and unforeseen circumstances

Explanation: Other unforeseen events beyond the control of the participant or beneficiary. Ex: imminent foreclosure or eviction from primary residence due to loss of job.

Documentation Required: Provide an explanation of the unforeseen event along with a copy of the foreclosure/eviction notice and the lease agreement.

Phone: 800-462-8328 ext. 4116, option 1 • Fax: 714-258-4051 • SchoolsFirstRP.com
P.O. Box 11547, Attn: Retirement Planning, RH3, Santa Ana, CA 92711

Submission of this form initiates a 403(b) hardship or 457(b) Unforeseeable Emergency distribution from the SchoolsFirst/ Nationwide Retirement Builder Plan or SchoolsFirst. Refer to the 403(b) Hardship or 457(b) Unforeseeable Emergency Documentation Guidelines for details on what is needed. **Note:** Please allow **5-7 business days** for processing of this request.

Participant Information (all fields required)

Name: _____
 SSN or Nationwide Account Number: _____ Date of Birth: _____
 Preferred Phone Number¹: _____ Phone Type: Home Work Cell
 Email: _____
 School District: _____ Plan Number: _____

Optional - Send me alerts regarding this distribution via: Email SMS Text Message² to Cell number listed above

How would you like to be contacted if additional information is required? Email Phone

¹Nationwide strives to provide excellent customer service to our Members. By providing your telephone number, you authorize Nationwide to contact you via telephone using automated technology to assist you with your account.

²By selecting this option you are opting into receiving text messages from Nationwide. Message and data rates may apply.

Reason for Withdrawal and Amount

A. 403(b) Hardship Reason

Select one of the following hardship reasons. Refer to the 403(b) Hardship Documentation Guidelines for details on what documentation is needed.

- Post-Secondary Education
- Purchase of Principal Residence
- Prevent Eviction or Foreclosure
- Health Expenses
- Funeral Expenses
- Damage to Principal Residence
- Federal Disaster Expenses

Amount \$ _____ 403(b) Roth 403(b)

B. 457(b) Unforeseeable Emergency Reason

Select one of the following Unforeseeable Emergency reasons. Explanation of reason should be written below. Refer to the 457(b) Unforeseeable Emergency Documentation Guidelines for details on what documentation is needed.

- Unexpected illness or accident

- Property loss caused by casualty

- Funeral Expenses

Reason for Withdrawal and Amount (continued)

Other similar extraordinary and unforeseen circumstances resulting from events beyond your control

Amount \$ _____ 457(b) Roth 457(b)

Tax Withholding**Federal Income Tax Withholding:**

Federal income taxes are withheld at the current default rate of 10% unless you elect otherwise. If you wish a different withholding percentage, please select one of the options listed below.

- I elect to **opt-out of Federal Income Tax** withholding; 0% withholding
- I wish to have a **different percentage of Federal Income Tax withheld**. At time of submission a W-4R Federal Tax Withholding Form is **required**. The current Form W-4R can be found on the IRS website at www.irs.gov/forms-pubs-search.

If we don't receive the W-4R, Nationwide will default to withholding taxes based on the current IRC withholding rules.

State Income Tax Withholding: Taxes will be automatically withheld if you are a resident in a state that mandates state income tax withholding. If you would like to adjust your state tax withholding please indicate that below.

- Do not withhold State Income Taxes from this payment.
- Additional State Withholding: _____% or \$ _____

Delivery Method

Send to my SchoolsFirst FCU Account

Member Number _____

Share ID _____

BOX TO BE COMPLETED BY THE TPA

Member Name: _____

ABA (routing) Number: _____

Account Number: _____

TPA Authorization: _____

Date: _____

Direct Deposit ACH on File: Funds will be sent to the account that Nationwide has on file.

New Direct Deposit ACH: Funds will be sent to the account that you indicate below.

Direct Deposit ACH Financial Institution Information:

Financial Institution Name _____ Account Type: Checking Savings

If account type is not selected, checking will be used.

Routing Number _____

Account Number _____

NOTE: Direct Deposit is only offered through members of the Automatic Clearing House (ACH). We cannot accept a deposit slip or starter check for banking numbers.

Is this account associated with a brokerage firm or other investment firm? Yes No

If yes, have you confirmed that the routing and account numbers are correct? Yes No

I hereby authorize Nationwide to initiate automatic deposits to my account at the financial institution named above. In the event an error is made, I authorize Nationwide to make a corrective reversal from this account. Further, I agree not to hold Nationwide responsible for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing funds to my account. This agreement will remain in effect until Nationwide receives a written notice of cancellation from me or my financial institution, or until I submit a new direct deposit authorization form to Nationwide. **In the event this direct deposit authorization form is incomplete or contains incorrect information, I understand a check will be issued to my address of record.**

Delivery Method continued on next page.

Delivery Method (continued)

- Send check by first class mail to my address of record.** Allow 5 to 10 business days from process date for delivery. (Default payment method if no option is selected)
- Send check overnight at my expense to my address of record.** I understand there is an additional fee (\$25) that will be deducted from my account. Saturday delivery may not be available in your area. Allow 2 to 4 business days from process date for delivery.

NOTE: PO Box addresses are not eligible for overnight delivery. If you select “send check overnight” and your address of record is a PO Box, your check will be sent via first class mail and you will not be charged the fee for overnight shipping.

Tax ID Certification

NOTE: Backup withholding does not apply to retirement plan distributions. FATCA does not apply as this is a U.S. account. Under penalties of perjury, I certify that:

1. The Taxpayer Identification Number or Social Security Number listed on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because:
 - a. I am exempt from backup withholding, or
 - b. I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or
 - c. The Internal Revenue Service has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person, and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

(FATCA does not apply as this is a U.S. account)

You must cross out item (2) if you have been notified by the IRS that you are currently subject to backup withholding because of failure to report interest or dividends on your tax return.

Signatures

I certify that I am the proper party to request this hardship/Unforeseeable Emergency withdrawal. I acknowledge that I do not have other assets to meet my financial need and all information provided is true and accurate. The amount available for withdrawal cannot exceed the amount needed to satisfy the financial need and the total verifiable deferrals contributed to the account. I am aware that this withdrawal cannot be undone, paid back, or rolled over to another retirement plan. Additionally, I understand this transaction is a reportable event for the year the distribution occurred. Additionally, a 10% penalty may apply if I am under age 59½. Please consult a tax advisor for additional questions. By signing below, I am aware of the information mentioned above and authorize SchoolsFirst to process this request.

Participant:

Name: _____

Signature: _____ Date: _____

TPA Authorization:

Approved Gross Amount: \$_____ OR Total Balance

Administrator Special Instructions: _____

Name: _____

Signature: _____ Date: _____

Form Return

Fax: 714-258-4051

Mail: SchoolsFirst
P.O. Box 11547
Attn: Retirement Planning, RH3
Santa Ana, CA 92711