



# South Dakota Retirement System Supplemental Retirement Plan

## Unforeseeable Emergency Distribution Request

SDRS Supplemental Retirement Plan • 222 East Capitol Ave. Ste. 8 • Pierre, South Dakota 57501-2564 • 605-224-2230

### Instructions

Enclosed is a copy of the Unforeseeable Emergency Distribution Request Form that you requested. In order to qualify for an emergency distribution, your circumstances must meet the following Internal Revenue Service (IRS) definition of an unforeseeable emergency.

**There must be “severe financial hardship to the participant resulting from...extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant.”**

Where there is an unforeseeable financial emergency as defined above, payment “may not be made to the extent that such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise, by liquidation of the participant’s assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or through cessation of deferrals under the plan.”

### Qualifying and Non-qualifying Circumstances

The table that follows illustrates circumstances that may qualify as an unforeseeable emergency withdrawal and other circumstances the IRS has stated will not qualify.

Circumstances that MAY Qualify	Circumstances that DO NOT Qualify
<ul style="list-style-type: none"> <li>• Involuntary loss of wages resulting from an illness, accident or other similar and extraordinary circumstances arising as a result of events beyond your control</li> <li>• Unreimbursed medical expenses resulting from an illness, accident, or other similar and extraordinary circumstance arising as a result of events beyond your control for you, your spouse, or a dependent who can be claimed on your tax return</li> <li>• Damage to your home due to an <b>accident or natural disaster</b> (beyond insurance reimbursement)</li> <li>• Damage to your car or other personal property due to an <b>accident or natural disaster</b> (beyond insurance reimbursement)</li> <li>• Legal bills involving criminal charges against you, your spouse, or a dependent who can be claimed on your tax return</li> <li>• Expenses associated with the imminent foreclosure of or eviction from your <b>primary residence</b></li> <li>• Funeral expenses for a spouse, or a dependent who can be claimed on your tax return</li> </ul> <p><b>NOTE:</b> Unreimbursed medical expenses and expenses related to property loss or damage must have been incurred and be supported by actual bills — <b>estimates will not be accepted.</b></p>	<ul style="list-style-type: none"> <li>• Purchase of a home, automobile, or other personal property, etc.</li> <li>• Education expenses, such as college tuition</li> <li>• Expenses knowingly incurred, such as, rent or mortgage payments, utilities, credit card bills, car, or personal loan payments</li> <li>• Supplemental income or insurance coverage</li> <li>• Unreimbursed medical expenses associated with elective surgery or routine/preventive medical care</li> <li>• Normal maternity leave</li> <li>• Routine maintenance related to vehicles, home, or other personal property</li> <li>• Tax liability (payment of income tax, back taxes, or fines associated with back taxes and wage garnishments)*</li> <li>• Travel expenses</li> <li>• Personal bankruptcy (except when resulting directly and solely from illness or casualty loss)*</li> <li>• Legal expenses (except in criminal cases)</li> <li>• Marital separation, divorce, or child support*</li> </ul> <p>*Although not reflected in the Internal Revenue Code, the IRS has stated in question-and-answer sessions that these situations would not comply</p>

If you feel that your situation meets the requirements, you may apply for an Unforeseeable Emergency Distribution by completing the attached form. **Your request must be only for the amount necessary to cover your financial hardship, plus the amount of income taxes that are withheld on an emergency distribution, if any.** An Unforeseeable Emergency Distribution is subject to 10% federal tax withholding. However, this amount is not mandatory and can be adjusted to a 0% tax withholding. All distributions are subject to federal, and applicable state and local taxes. Payments will be reported on a Form 1099-R.

The plan requires documentation of the financial hardship for your application to be approved. Upon receiving all necessary documentation related to the unforeseeable emergency, your file will be reviewed and, a letter will be sent to you to notify you of the decision.

If your request is denied, a denial letter will be sent to you that will contain instructions should you wish to appeal the denial to the SDRS Executive Director. Pay careful attention to the time limits for filing your appeal request.

Please note when taking a distribution that some mutual funds may impose a short-term trading fee upon distribution. Please read the underlying prospectuses carefully.

## Required Documentation and Forms

In an effort to avoid delays in your application for an Unforeseeable Emergency Distribution Request, please submit a completed form with answers to all questions and documentation for your request. Below are examples of circumstances and acceptable documentation. Please remember that you may be asked to provide additional information based upon your request.

Circumstance	Documentation Required
Medical Bills Not Covered by Insurance	<ul style="list-style-type: none"> <li>• Explanation of Benefits statement or a statement from insurance carrier detailing which expenses were NOT covered by insurance</li> <li>• A doctor's statement of your medical condition</li> </ul>
Loss of Income – Yours or Spousal	<ul style="list-style-type: none"> <li>• Previous year's W-2 form</li> <li>• Paystub that details full wage and current paystub showing partial pay</li> <li>• Letter from the employer stating the time off without pay or verifying or detailing the lost wages</li> <li>• Documentation from any source of current income, such as Worker's Compensation</li> <li>• Only approvable for a 12-month period</li> </ul> <p><b>NOTE:</b> Amounts for loss of income are not increased to cover the federal tax withholding.</p>
Funeral Expenses	<ul style="list-style-type: none"> <li>• Certified proof of your family member's death and copies of the funeral expenses incurred by you</li> <li>• Documentation of relationship</li> </ul>
Foreclosure	<ul style="list-style-type: none"> <li>• Letter from the mortgage company that provides your primary address and the amount needed to prevent foreclosure</li> </ul> <p><b>NOTE:</b> Approval for this type of event is only done once in a 12-month period.</p>
Eviction	<ul style="list-style-type: none"> <li>• Court order eviction notice that provides the amount needed to halt proceedings</li> </ul> <p><b>NOTE:</b> Approval for this type of event is only done once in a 12-month period.</p>

**NOTE:** If your circumstances do not qualify for an Unforeseeable Emergency Distribution Request, you may be eligible for a Small Inactive Account Distribution. A Small Inactive Account Distribution is available to Participants whose account balance, exclusive of assets in a rollover account, does not exceed \$5,000 and who have not made a contribution to their account within the past two years. This is a one-time distribution of up to \$5,000 of your account balance.

Please note that if you have received a previous approval for an unforeseeable emergency event, any subsequent requests for the same event may require documentation that demonstrates that the previous amounts were utilized to satisfy the approved event.

If you have any questions, please do not hesitate to call the SDRS-SRP office in Pierre at 605-224-2230.



**South Dakota Retirement System  
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**Personal Information**

Name:	Last 4 of SSN/Account Number:
Date of Birth:	Employer:
Home Address:	City, State, & ZIP:
Home Phone Number:	Work Phone Number:
Email Address:	

**Distribution Instructions**

My Financial Hardship is due to the following circumstance(s):

- Sudden and unexpected illness or accident, resulting in medical expenses not reimbursed by insurance
- Loss of property due to casualty not reimbursed by insurance
- Severe loss of income as a result of events beyond my control
- Other similar extraordinary and unforeseeable circumstances arising as a result of events beyond my control

Explanation (Required):

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I request a distribution in the amount of \$\_\_\_\_\_. I have enclosed documentation to support the full amount requested. (Please note that the amount approved must be supported by the documentation you provide. If the approved amount exceeds the balance of your account, the full account balance will be distributed to you.)

**Tax Withholding**

All distributions are subject to federal taxes. An Unforeseeable Emergency Distribution is subject to 10% federal tax withholding. However, this amount is not mandatory and can be adjusted. Payments will be reported on a 1099-R form.

**Please select one option. (If you do not select an option, we will use the 10% default withholding.)**

- No taxes withheld:** Do not withhold federal taxes from my distribution. I will be liable for all federal taxes that may result from this distribution.
- 10% default withholding:** Withhold the default of 10% to accommodate federal taxes on the taxable portion of my distribution. I will receive the approved amount of my request (by check or direct deposit), and the total distribution amount will be higher to include federal tax withholding.
- Other tax withholding (must be higher than 10%):** \_\_\_\_\_% Increase the distribution amount to accommodate federal tax withholding on the taxable portion of my distribution. I will receive the approved amount of my request (by check or direct deposit), and the total distribution amount will be higher to include federal tax withholding.

## Direct Deposit Instructions

Account Type:  Checking  Savings

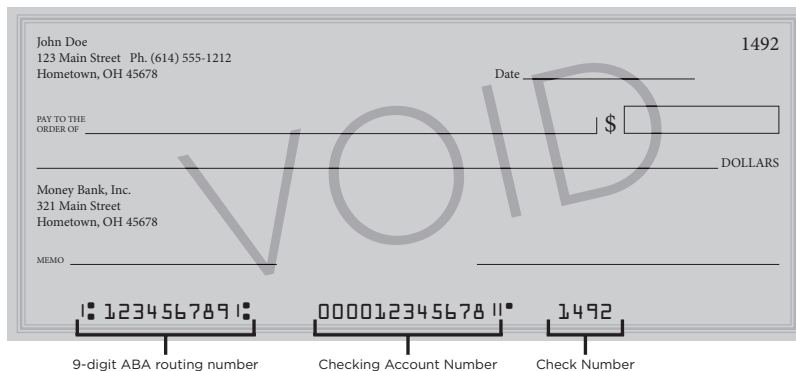
### Financial Institution Information:

Bank Name

ABA (routing) Number

Account Number

**NOTE:** If left blank, we will default to checking.



**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 ABA and account numbers are correct?  Yes  No

**NOTE:** You must include a voided check if your distribution is being sent to your checking account.

I understand that the gross amount of the Unforeseeable Emergency Distribution will be calculated such that, after withholding taxes, the net amount will be as close to the amount approved as necessary to meet my financial need.

## Acknowledgments

By signing this application, I hereby acknowledge the following:

- I have exhausted all other sources available to meet my financial need described above and the amount I requested is only the amount that I reasonably require to satisfy the emergency need.
- My financial need cannot be relieved:
  - Through reimbursement or compensation by insurance or otherwise;
  - By a loan or a financial hardship distribution from a 401(k) plan (if available), or other qualified plan;
  - By liquidation of my assets, to the extent such liquidation would not itself cause severe financial hardship; or
  - By cessation of deferrals under the Plan.
- I have attached documentation supporting this request for an unforeseeable emergency distribution.
- I understand that these funds are taxable to me in the year that I receive them.
- Unforeseeable Emergency Distributions are not an eligible Rollover distribution.

## Authorization

I attest that the information provided on this form is true. I understand that I may be subject to civil and criminal liability for any false statement on this form or any papers attached or related to this form. I understand that mutual funds may impose a short-term trade fee and that I should read the underlying prospectuses carefully for more information.

Participant Signature:	Date:
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## Form Return

Mail: SDRS Supplemental Retirement Plan  
222 E. Capitol Ave., Ste 8  
Pierre, SD 57501

Fax: 605-224-2395



# South Dakota Retirement System Supplemental Retirement Plan

## Unforeseeable Emergency Distribution Request Statement of Income, Expenses, Assets & Liabilities

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### Monthly Income

Monthly Take-Home Pay..... \$ \_\_\_\_\_

Spouse's Monthly Take-Home Pay ..... \$ \_\_\_\_\_

Net Monthly Business Income..... \$ \_\_\_\_\_

Rental/Real Estate Income..... \$ \_\_\_\_\_

Other Monthly Incomes ..... \$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

**TOTAL \$** \_\_\_\_\_

### Total Assets

Savings Accounts..... \$ \_\_\_\_\_

Spouse's Savings Accounts..... \$ \_\_\_\_\_

Life Insurance Loan Value..... \$ \_\_\_\_\_

Spouse's Life Insurance Loan Value..... \$ \_\_\_\_\_

Liquid Assets (see below) ..... \$ \_\_\_\_\_

Spouse's Liquid Assets ..... \$ \_\_\_\_\_

Other..... \$ \_\_\_\_\_

**TOTAL \$** \_\_\_\_\_

### Monthly Expenses

Mortgage Payment..... \$ \_\_\_\_\_

2nd or 3rd Mortgage Payment ..... \$ \_\_\_\_\_

Apartment Rental ..... \$ \_\_\_\_\_

Utilities ..... \$ \_\_\_\_\_

Food..... \$ \_\_\_\_\_

Appliance/Furniture Payment ..... \$ \_\_\_\_\_

Auto Payment..... \$ \_\_\_\_\_

Credit Card Payments ..... \$ \_\_\_\_\_

Liens or Garnishments ..... \$ \_\_\_\_\_

Gas..... \$ \_\_\_\_\_

Insurance ..... \$ \_\_\_\_\_

Maintenance/Repairs..... \$ \_\_\_\_\_

Other..... \$ \_\_\_\_\_

**TOTAL \$** \_\_\_\_\_

### Total Liabilities

Mortgage..... \$ \_\_\_\_\_

2nd or 3rd Mortgage..... \$ \_\_\_\_\_

Appliance/Furniture Loans ..... \$ \_\_\_\_\_

Credit Card(s)..... \$ \_\_\_\_\_

Liens or Garnishments ..... \$ \_\_\_\_\_

Auto Loan ..... \$ \_\_\_\_\_

Personal Loans..... \$ \_\_\_\_\_

Other..... \$ \_\_\_\_\_

**TOTAL \$** \_\_\_\_\_

If your spouse's income, assets, and/or liabilities should not be considered for purposes of this application, please explain:

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### Oath and Affirmation

I certify the information submitted above to be true and accurate.

Participant Signature:	Date:
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