



457(b) Unforeseeable Emergency Distribution Frequently Asked Questions

How do I submit an application for an Unforeseeable Emergency (UE) Distribution?

This application is designed to help you provide information about your financial emergency, and to determine if you have other appropriate financial sources that could relieve your financial hardship. Without this information, the Plan cannot consider your request. Please fill out the application and financial page completely. All applications remain active for 30 days from the date of receipt. Any additional unforeseeable emergency request beyond 30 days from the date of receipt requires a new application.

FOR FASTER SERVICE, please **FAX** the completed application and supporting documentation to: 877-677-4329. If you prefer, you can **MAIL** the completed application and supporting documentation to:

P.O. BOX ADDRESS: NATIONWIDE RETIREMENT SOLUTIONS
 P O BOX 182797
 COLUMBUS OH 43218-2797

OR

EXPRESS MAIL ADDRESS: NATIONWIDE RETIREMENT SOLUTIONS
 3400 SOUTHPARK PL STE A, DSPF-F2
 GROVE CITY OH 43123-4856

If you have any additional questions regarding the process or completion of this form, please call the contact center at 855-826-5407. The hours of operation are Monday-Friday 8am - 11pm ET.

Who may apply for an Unforeseeable Emergency (UE) Distribution?

An actively employed participant may apply for a UE. Retired or terminated participants, beneficiaries, and alternate payees are not eligible for an unforeseeable emergency. Please refer to standard distribution. **(Participants over 70 ½ and still actively employed are eligible for standard distributions from the Plan, and are not eligible for unforeseeable emergency distributions.)**

What information and documents are required for the Unforeseeable Emergency (UE) application?

In addition to documentation regarding the specific circumstances for which a UE is requested, participants applying for a UE are required to submit:

- A completed and signed application.
- Any supporting documentation, as listed under the Unforeseeable Emergency Checklist page (see page 4 of Important Information document).

Do I have to stop my deferrals?

Per the City of Baltimore, a participant must stop deferrals for six months. To stop your deferrals, you will need to submit a deferral change form. After six months, in order to begin deferring into your account again, you will need to submit a new participation agreement. To do so, please contact us at 855-826-5407.

How much can I withdraw?

UE distributions must be limited to the amount reasonably necessary to satisfy the financial need, but may be increased for Federal income taxes on the distribution.

What is the process and how long does it take?

Assuming your paper work is complete and accurate, your application and supporting documentation will be processed within 5 business days. We make every effort to review your request as soon as possible.

Is the Unforeseeable Emergency Distribution a taxable event?

Yes. Federal income tax will be withheld at the rate of 10% unless you elect to have no tax withheld or elect an additional amount of withholding on IRS Form W-4P. IRS Form 1099-R will be issued at the end of the year for tax reporting purposes and sent to you and the Internal Revenue Service. Where possible, the approved amount will be increased to include the amount for withholding, if account balance is insufficient to be grossed up to cover federal taxes, taxes will be withheld and the remaining amount will be sent to the participant. Please contact your tax advisor for any questions or concerns.

Is this distribution eligible for rollover to another eligible retirement plan or IRA?

No.



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What are the Federal regulations that cover UEs?

1.457-6(c) describes the rules that apply to UEs

(c) Rules applicable to distributions for unforeseeable emergencies— (1) In general. An eligible plan may permit a distribution to a participant or beneficiary faced with an unforeseeable emergency. The distribution must satisfy the requirements of paragraph (c)(2) of this section.

(2) Requirements—(i) Unforeseeable emergency defined. An unforeseeable emergency must be defined in the plan as a severe financial hardship of the participant or beneficiary resulting from an illness or accident of the participant or beneficiary, the participant's or beneficiary's spouse, or the participant's or beneficiary's dependent (as defined in section 152(a)); loss of the participant's or beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant or the beneficiary. For example, the imminent foreclosure of or eviction from the participant's or beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in section 152(a)) may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this paragraph (c)(2)(i), the purchase of a home and the payment of college tuition are not unforeseeable emergencies under this paragraph (c)(2)(i).

(ii) Unforeseeable emergency distribution standard. Whether a participant or beneficiary is faced with an unforeseeable emergency permitting a distribution under this paragraph (c) is to be determined based on the relevant facts and circumstances of each case, but, in any case, a distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from 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 by cessation of deferrals under the plan. (iii) Distribution necessary to satisfy emergency need. Distributions because of an unforeseeable emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

What are the Plan requirements for UEs under the City of Baltimore 457(b) plan?

a) In the event an unforeseeable emergency occurs, a Participant or Beneficiary may apply to the Plan to receive that part of the value of his or her Account that is reasonably needed to satisfy the emergency need. If such an application is approved by the Plan, the Participant or Beneficiary shall be paid only such amount as the Plan deems necessary to meet the emergency need, but payment shall not be made to the extent that the financial hardship may be relieved through cessation of deferral under the Plan, insurance or other reimbursement, or liquidation of other assets to the extent such liquidation would not itself cause severe financial hardship.

b) An unforeseeable emergency shall be deemed to involve only circumstances of severe financial hardship of a Participant or Beneficiary resulting from an illness or accident of the participant or beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in Section 152 of the Code, and, for taxable years beginning on or after January 1, 2005, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code); loss of the Participant's or Beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or the Beneficiary. For example, the imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in section 152 of the Code, and, for taxable years beginning on or after January 1, 2005, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code) may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section 7.07(b), the purchase of a home and the payment of college tuition are not unforeseeable emergencies.

How do I appeal an unfavorable decision?

An unfavorable decision may be appealed within 30 calendar days within notification of denial by sending a written request and any additional supporting documentation that may be relevant for the appeal. You will be notified of the final outcome of the appeal. Once the appeal has been reviewed and a determination has been made that decision is final and will not be subject to further appeal.