

**ADP Prototype Plan**

**Hardship Withdrawal Form - 257**

Phone Number:

Social Security #:

Employee Name:

Last

First

Middle

Address:

Street

Apt. # / PO Box#

City

State

Zip Code



**I HARDSHIP WITHDRAWAL INSTRUCTIONS**

All sections must be completed in full for your request to be processed. When all sections are complete, read the acknowledgment, sign and date the form, and return it to your plan administrator.

**Section II:** Identify the withdrawal amount requested or select the radio button for all available funds. The actual withdrawal amount processed will not exceed your available account balance. The minimum withdrawal amount is \$500.00. The reason for the Hardship must be identified by selecting the appropriate radio button. Please note that Hardship Withdrawals may be subject to a 10% excise tax on premature distributions.

**Section III:** Select the appropriate radio button indicating whether (and at what rate) you would like federal income tax withholding to apply to your distribution. Please read Section III carefully.

**II AMOUNT OF WITHDRAWAL**

Withdrawal Amount (Select one):



All Available Funds

You may not request a hardship withdrawal after reaching age 59½ if your plan permits in-service withdrawals at that age. Consult your Summary Plan Description for details. In addition, your contributions will be suspended for the next six months. At the end of your suspension period your contributions will be reinstated.

Identify Reason for Hardship:

Purchase Participant's Primary Residence

Avoid Foreclosure/Eviction

Pay College Tuition, Room and Board, and Related Educational Fees

Pay Medical Expenses

Pay for Funeral Expenses

Repairs for damage to Participant's Primary Residence which qualifies for a casualty loss deduction

**III FEDERAL INCOME TAX WITHHOLDING**

Under the Internal Revenue Code, your hardship distribution is subject to federal income tax withholding unless you elect not to have withholding apply. **UNLESS YOU ELECT BELOW NOT TO HAVE FEDERAL INCOME TAX WITHHOLDING APPLY OR CHOOSE A DIFFERENT WITHHOLDING RATE, FEDERAL INCOME TAX WILL BE WITHHELD AT A RATE OF 10% FROM YOUR DISTRIBUTION.** If you elect not to have withholding apply, or if you do not have enough federal income tax withheld from your distribution, you may be responsible for payment of estimated tax. If state income withholding applies to your distribution, it will be automatically withheld from your distribution if you have elected federal income tax withholding. You should consider discussing this election with your tax advisor.

Yes, withhold 10%

Yes, withhold at a rate of

%

No, do not withhold

**IV ACKNOWLEDGMENT AND SIGNATURE**

I certify that I cannot satisfy my need by (1) reasonable liquidation of my assets or those of my spouse or children to the extent that such liquidation does not itself cause a hardship, or (2) through reimbursement or compensation by insurance or any other source, or (3) taking all in-service withdrawals available under the Plan, including withdrawals of my After-Tax Contribution Account and/or Rollover Contribution Account, or withdrawals available under any other plan maintained by my employer, or (4) taking a loan from the Plan or any other plan maintained by my employer or from a commercial lender to the extent that this does not itself cause a hardship, or (5) ceasing to make pre-tax or (if applicable) after-tax contributions to the Plan. The documentation I have provided to support my hardship withdrawal is true and accurate, and accurately reflects the amount of need (other than the estimated amount of tax and penalties that I have added to the requested amount).

Signature of Employee/Participant

Date (mm/dd/yyyy)

**NOTE:** Only actively employed participants may request a hardship withdrawal.

**NOTE:** Plan Administrator must not approve a participant's hardship withdrawal request unless the participant has first requested all loans (to the extent loans do not increase the participant's hardship), in-service withdrawals available under the Plan, including his or her after-tax contribution account and/or rollover contribution account, if any.

**FOR PLAN ADMINISTRATOR USE ONLY - THIS SECTION MUST BE COMPLETED OR THE FORM WILL BE REJECTED**

Recordkeeping Plan #

Date Received (mm/dd/yyyy)

Plan Administrator Approval

**IMPORTANT INFORMATION ABOUT FAILURE TO DEFER RECEIPT OF DISTRIBUTIONS FROM TAX QUALIFIED RETIREMENT PLANS (e. g. 401(k) Plans, Profit Sharing Plans, Money Purchase Plans and Section 403(b) Plans)**

Generally, you cannot be forced to take a distribution from a plan until you reach the later of age 62 or the plan's normal retirement age if your account balance is greater than \$5,000. Please review the sections of your summary plan description addressing distribution of plan benefits for further information on the latest date to which you can defer a distribution under your plan and other information that might affect your decision whether or not to defer receiving your distribution. Distributions of previously untaxed amounts

(which includes pre-tax employee deferrals, and earnings other than Roth 401(k) earnings attributable to a "qualified" distribution) generally will be subject to current ordinary income tax (and related tax withholding) and, potentially, an additional 10% tax for withdrawals prior to age 59½, unless you elect to roll over these amounts to an IRA or another eligible employer plan. If your plan provides an In-Plan Roth Rollover Contribution, the 10% penalty may apply if you make a withdrawal from your In-Plan Roth Rollover Contribution account prior to the end of the 5th taxable year in which you made the In-Plan Roth Rollover Contribution. This tax impact could also be affected by the form in which you take your distribution. For example, taking a distribution in the form of installment payments (if your plan allows installments) rather than a lump sum could, depending on the circumstances, further defer your tax liability. In addition to these tax ramifications and potential loss of future tax deferred earnings, failing to defer receipt of a plan distribution may result in insufficient retirement savings.

If you defer receipt of your distribution, you will continue to have available to you for investment of your account balance the investment alternatives that the plan makes available to actively employed plan participants. Please log on to the plan's Web site or call the Voice-Response System for information about the plan's investment alternatives. Your plan may have available to it types or classes of investments that are only available to retirement plans and/ or large institutional investors. These types or classes of investments may not be available to retail investors or IRAs. For example, if your plan permits investments in mutual funds, shares you purchase under your plan may be subject to lower (or no) sales charges and lower management fees and other expenses that reduce investment return than shares available for purchase by you or your IRA.

Please contact your plan administrator if you have questions about the forms of distribution available to you. Please contact your tax advisor if you have questions about their tax effects as applicable to your particular situation. Please review the prospectuses and other information provided on the Web site and/ or Voice-Response System for more information about the sales charges (if any) and fees and expenses that apply to the investment alternatives under your plan. Information about some of the tax consequences of distributions that are eligible for rollover are contained in the Special Tax Notice that is delivered with distributions that are eligible for rollover, including, among other subjects, when earnings on Roth contributions are not subject to current taxation (that is, when a distribution from a Roth account is a "qualified distribution") and a more detailed discussion of the 10% early withdrawal tax referred to above. If your distribution is not eligible for rollover (for example, an in-service hardship distribution), you may obtain a copy of this notice by contacting the ADP Call Center through the Voice Response System.