

Hardship Withdrawal Application

Dear Participant:

Enclosed is an application packet for a Hardship Withdrawal from the Lake County, Illinois Plasterers & Cement Masons Retirement Savings Plan. Please make sure to review the documents in this packet carefully. Upon completion, return the application packet and all necessary supporting documents to the Fund Office for processing. The Fund Office will review your application packet and notify you in writing if your application is denied or if any additional information is necessary to process your withdrawal application.

If you do not completely and accurately fill out these forms, or you do not provide the required documentation as specified below to support your hardship request, your request will not be processed. **Once your application is complete, a \$250 nonrefundable fee will be deducted from your account balance, regardless of whether or not your application is approved.** If there is any conflict between this Application and the legal documents, the documents will rule.

It is important that you understand the circumstances which qualify for a Hardship Withdrawal. If this is not clear to you, it is your responsibility to contact the Fund Office for clarification.

Please do not hesitate to contact the Fund Office, if you have any questions.

Sincerely,

Fund Office
(800) 249-7947

Lake County, Illinois Plasterers & Cement Masons Retirement Savings Plan

Guidelines for a Hardship Withdrawal

Enclosed is an application for a Hardship Withdrawal from the Lake County, Illinois Plasterers & Cement Masons Retirement Savings Plan (the "Fund"). **All Forms are required to be completed and returned along with supporting documents. Also, all foreign documents must be accompanied by a notarized English translation.**

In order to avoid delays in processing your application, please do the following:

- **Complete the entire application. Incomplete applications will be returned.**
- Hardship withdrawals are allowed **only** for the reasons listed below. You need to submit with your application the appropriate documents that are listed below for the type of hardship you are claiming.
- ***Pay medical expenses not covered by insurance.*** Unreimbursed medical expenses for medical care described in Internal Revenue Code (IRC) section 213(d) (without regard to whether the expenses exceed 7.5% of gross income). The medical care was previously incurred or necessary to obtain medical care and that would be deductible on your federal income tax return under section 212(d) for you, your spouse, or your dependents as defined in IRC section 213 (generally those who you may claim as dependents on your federal tax return).

Required Documentation:

- Explanation of Benefits (EOB) and the corresponding bill from the provider.
- The EOB must be dated within the past 2 years and must reflect the amount paid by the Fox Valley & Vicinity Construction Workers Welfare Fund and the amount owed by the Participant; **or**
- Itemized bill from the provider and a letter from the provider stating you, your spouse, or your dependents are not insured; **or**
- For future services, a bill from the provider showing the prepayment required for the service.
- The provider bill must be dated within the past 90 days and must indicate the amount still due.
- ***Payment to prevent foreclosure of the mortgage for your primary residence.*** A withdrawal to prevent the foreclosure of the mortgage for your primary residence must reflect a foreclosure within 60 days and specify action necessary to prevent foreclosure.

Required Documentation:

- Bank/mortgage statement; **or**
- Letter from bank/mortgage company; **or**
- Copy of the court document substantiating the foreclosure legal proceedings.
- The above noted documentation must be dated within the last 30 days, reflect your name and the amount necessary to correct a delinquency in order to prevent foreclosure.
- ***Payment of Delinquent Property Tax on Primary Residence.***

Required Documentation:

- Notice of delinquent property tax debt indicating that tax will be offered for sale within 90 days OR has already occurred at time of application.
- Participant must certify the tax debt has not been satisfied and lien is in effect.

Prior to returning this form, we suggest that you contact a tax advisor. Please see the enclosed Special Tax Notice, which provides important information regarding any rights you may have associated with your payment.

You may take a Hardship Withdrawal only if you have an immediate and heavy financial need, and if funds from other sources are not reasonably available to you in order to meet the need. You may not request a withdrawal amount in excess of the amount required to meet your financial need. The Fund will withhold 10% unless you make an election to have a different amount withheld. You may request that your Hardship Withdrawal include an additional amount that is estimated to cover income taxes reasonably anticipated to result from the withdrawal. The additional amount will be determined at the time we process your request (generally 25% of the taxable portion of the withdrawal). You also may elect to have no withholding apply. If you elect not to have withholding apply to your withdrawal, or if you do not have enough Federal income tax withheld from your withdrawal, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

If approved, your check will be mailed to your home address.

If you do not completely and accurately fill out these forms, or you do not provide the required documentation as specified below to support your hardship request, your request will not be processed. A \$250 nonrefundable fee will be deducted from your account balance, regardless of whether or not your application is approved. If there is any conflict between this Application and the legal documents, the documents will rule.

HARDSHIP WITHDRAWAL APPLICATION

PARTICIPANT INFORMATION:

Name: _____ S.S. No: _____
(Last) (First) (MI)

Address: _____
(Street) (City) (State) (Zip)

Date of Birth: _____ Telephone Number: () _____

Local Union No.: _____ Cell Phone Number: () _____

Have you previously applied for a Withdrawal: _____ Date: _____
(yes/no)

Spouse's Name: _____ Spouse's S.S. No.: _____

Spouse's Date of Birth: _____

Are you (or have you been) divorced? Check one: ☐ yes ☐ no

If yes, is your account subject to a Qualified Domestic Relations Order? ☐ yes ☐ no

Amount Requested for Hardship Withdrawal: \$ _____

Reason for Hardship (check all that apply):

- ☐ Medical Expenses
- ☐ Payment of Delinquent Property Taxes
- ☐ Prevent foreclosure of mortgage on primary residence.

Hardship Withdrawals are not subject to the mandatory 20% federal income tax withholding. However, unless elected otherwise below, the hardship distribution you are entitled to receive from the Fund is subject to 10% Federal income tax withholding. Some other taxes may also apply to your hardship distribution. Please make your selection below.

Please check the tax treatment you want below:

- ☐ I do not want taxes withheld from the approved hardship amount.
- ☐ I elect to have _____ % tax withheld in addition to the approved hardship amount. Provide the percentage between 1% and up to 25% of your withdrawal amount. Amounts will not be withheld for state or local taxes. The Fund will increase your hardship distribution to account for Federal income tax withholding in the amount designated by you.

Since your account with this Plan is funded with pre-tax contributions, this withdrawal will be subject to federal, state and local income tax. Additionally, for withdrawals before age 59½, a 10% federal penalty tax and possibly a state penalty tax will apply, unless the withdrawal is to pay deductible medical expenses.

The Tax Withholding Election Form above is a substitute for IRS Form W-4P. If you would like additional information on withholding options, you may request a copy of Form IRS Form W-4P from the Fund Office or obtain the Form on the IRS web site at <http://www.irs.gov/formspubs/index.html>. In addition, you should contact a tax or financial advisor if you have any questions on the taxation of your hardship distribution.

AUTHORIZATION

Before you may request a hardship withdrawal from the Plan, you must consider whether your financial need can be satisfied from other resources reasonably available to you, including those resources reasonably available through your spouse and minor children, if any.

By signing below, you represent that the requested hardship withdrawal amount does not exceed the amount necessary to meet your financial need and your financial need cannot otherwise be reasonably met:

- Through any other resource reasonably available to you, including those reasonably available through your spouse and minor children, if any;
- Through insurance or any other type of reimbursement or compensation;
- By liquidating all reasonable available assets.
- By borrowing from commercial sources on reasonable commercial terms; or
- By taking a loan or another type of withdrawal or distribution from any other employer plan (including distribution of dividends from an employee stock ownership plan (ESOP).

Furthermore, by signing below, you certify you qualify for the hardship reason you indicated based on the terms as described above and that all of the information contained in this form or submitted as supporting documentation is true and accurate to the best of your knowledge.

Participant's Signature: _____ Date: _____

Fund Office Use Only

The Fund Office has verified that the amount of Hardship Withdrawal requested does not exceed the maximum amount of withdrawal permitted under this In-Service Withdrawal provision.

Signed: _____ Date: _____