

# Hardship Substantiation Package

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## Introduction

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You are applying for a distribution of some of your Retirement Plan benefits because you have sustained a hardship that requires a financial outlay. This package provides you with the information we need to confirm that the distribution is due to a **heavy and immediate financial need**, and the **request is not more than what is required to satisfy the need**, as is required by the law.

## Things You Must Know About a Hardship Distribution

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1. Not all plans permit hardship withdrawals. Refer to your Summary Plan Description for more information.
2. A hardship distribution is considered to be income to you and will be included as taxable income on your Federal (and state) income tax returns for this year. In addition, if you are younger than age 59½ when you take this distribution, a 10% federal penalty tax (in addition to your income tax on the distribution) will apply. State taxes may also apply. There are special rules for Roth distributions.
3. **The amount of the distribution to you cannot exceed the amount of your heavy and immediate financial need. It may also not exceed the amount you have available.**
4. The sources of money available for a hardship withdrawal may be limited to salary deferral contributions and/or vested sources only. Refer to your Summary Plan Description for more information.
5. If you are paying expenses relating to a dependent, the person must qualify as a dependent under Internal Revenue Code Section 152.
6. No hardship distribution can be processed without your signature on the Hardship Distribution Request Form (and Substantiation Form, if completed).

## Two Options to Provide Proof of the Hardship

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1. Provide Proof to the Plan Administrator (AMI Benefit Plan Administrators, Inc.). Complete the Hardship Distribution Request Form **only** and return to AMI and we will work with you to gather the necessary documentation OR
2. **If you do not want to do this, you agree that you will keep the proof and will provide that proof if and when it is requested by your employer or the Plan Administrator.** This request will normally be made only if the plan is being audited by the Internal Revenue Service or Department of Labor. The IRS may make the request for the proof if you are audited by the IRS. Complete the Hardship Distribution Request Form and the Substantiation Form related to your request and return both to AMI.

## Returning Your Form(s)

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You must return the completed Hardship Distribution Request Form (and Substantiation Form, if applicable) to AMI at [pmt@amibenefit.com](mailto:pmt@amibenefit.com), Fax 1-866-436-6703 or 100 Terra Bella Drive, Youngstown, Ohio 44505.

Once AMI has received the necessary request form(s), we will issue formal distribution paperwork to you for signature (if approved), which includes the required distribution tax notice.

# HARDSHIP DISTRIBUTION REQUEST FORM

*You Must Complete This Page in Full.*

## Your Information

Participant Name \_\_\_\_\_ SS# (Last Four) \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Marital Status  M  S

Phone Number (\_\_\_\_\_) \_\_\_\_\_ Company Name \_\_\_\_\_

Email Address \_\_\_\_\_

## Hardship Questions

➤ **Did the participant experience the hardship? (check one)**  Yes  No

If someone else has experienced the hardship:

Insert name of the person: \_\_\_\_\_

Relationship to participant:

- |                                    |   |
|------------------------------------|---|
| <input type="checkbox"/> Spouse    | <input type="checkbox"/> Parent                   |
| <input type="checkbox"/> Dependent | <input type="checkbox"/> Plan Primary Beneficiary |
| <input type="checkbox"/> Child     | <input type="checkbox"/> Other: _____             |

➤ **Requested Net Distribution Amount:** \$  (Amount after taxes are withheld.)

➤ **Do you want your distribution increased to cover the penalty taxes?**  Yes  No

➤ **Choose One:**

- I will complete a Substantiation Form. (Complete the attached Substantiation if this option is selected. See below for section number to complete.)
- Have AML contact me for the documentation.

## Reason for Hardship Request

- Purchase of Participant's Principal Residence – Complete Section 1
- Payment of Uninsured Medical Expenses – Complete Section 2
- Payment of Educational Expenses – Complete Section 3
- Payment to Prevent the Eviction From or Foreclosure on the Participant's Principal Residence – Complete Section 4
- Payment of Funeral and Burial Expenses – Complete Section 5
- Payment for Repairs in Relation to Damage to the Participant's Principal Residence – Complete Section 6
- Expenses for Disasters Arising from Federally Declared Disasters – Complete Section 7

Participant Signature \_\_\_\_\_ Date: \_\_\_\_\_

**Section 1 - Purchase of Participant's Principal Residence**

Complete this section if the Participant is purchasing a residence that will be his/her *principal* place to live. Expected residency should be imminent.

➤ Will this be the Participant's principal residence?  Yes  No

➤ Address of the residence: \_\_\_\_\_

➤ Purchase price: \$  

➤ Name and address of the Lender:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

➤ Date of the purchase/sale agreement: \_\_\_\_/\_\_\_\_/\_\_\_\_

➤ Expected Closing Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

➤ Expected Moving Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

➤ Types of costs and expenses being covered by hardship distribution:

- Down Payment: \$ \_\_\_\_\_
- Closing Costs: \$ \_\_\_\_\_
- Title Fees: \$ \_\_\_\_\_
- Other: \_\_\_\_\_
- \_\_\_\_\_ \$ \_\_\_\_\_
- \_\_\_\_\_ \$ \_\_\_\_\_
- \_\_\_\_\_ \$ \_\_\_\_\_

Total \$  

**Substantiation documents you must retain:**

- Contract for purchase, reflecting purchase price shown above
- Escrow contract, if any
- Closing statement reflecting above costs, fees, etc.

**Participant Certification**

I, \_\_\_\_\_, am applying for a hardship distribution from my Retirement Plan. I hereby certify under penalty of perjury that the information provided in this package is, to the best of my knowledge, true and accurate. I also agree to keep the source documents that show that a hardship occurred and the expenses for which the hardship distribution is being taken, and to make that information available at any time, upon request, to the Plan Sponsor or the Plan Administrator.

Participant Signature \_\_\_\_\_ Date: \_\_\_\_\_

## Section 2 – Payment of Uninsured Medical Expenses

Complete this section if the Hardship Distribution will be used to pay medical expenses.

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*Please Note:* A hardship distribution is available to cover only those medical expenses that would be deductible under Internal Revenue Code (the “Code”) Section 213(d), even if you do not actually deduct them on your tax return. (You may not be able to deduct these expenses because you do not itemize your deductions or because the amount of your medical expenses is not sufficient for deduction.) If you are paying expenses of a dependent, the person must be a dependent as defined in Code Section 152.

➤ **Purpose(s) of medical care:**

- Diagnosis
- Treatment (including medicines)
- Prevention
- Transportation to/from medical provider
- Long-term Care

*Please Note:* You do not need to reveal the actual condition requiring care.

➤ **Name and address of service provider(s):**

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➤ **Type of provider:**

- Hospital
- Doctor
- Dentist
- Chiropractor
- Pharmacy
- Other: \_\_\_\_\_

➤ **Amount of uninsured medical expenses:** \$

**Substantiation documents you must retain:**

- Provider invoices, reflecting the above
- Insurance benefit reports, reflecting uncovered portion (if submitted to insurer)
- Proof of payment (e.g., credit card statements, cancelled checks, receipts)

**Participant Certification**

I, \_\_\_\_\_, am applying for a hardship distribution from my Retirement Plan. I hereby certify under penalty of perjury that the information provided in this package is, to the best of my knowledge, true and accurate. I also agree to keep the source documents that show that a hardship occurred and the expenses for which the hardship distribution is being taken, and to make that information available at any time, upon request, to the Plan Sponsor or the Plan Administrator.

Participant Signature \_\_\_\_\_ Date: \_\_\_\_\_

## Section 3 – Payment of Educational Expenses

Complete this section if the Hardship Distribution will be used to pay educational expenses of the Participant, his/her spouse, his/her dependents, or the person designated as the primary beneficiary of the Participant's benefits under the Plan.

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*Please Note: A hardship distribution is available to cover expenses for post-secondary (i.e., after high school) education.* If you are paying expenses of a dependent, the person must be a dependent as defined in Internal Revenue Code Section 152.

➤ **Name and address of educational institution (post-high-school institution):**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

➤ **Types of costs and expenses being covered by hardship distribution:**

<input type="checkbox"/> Tuition:		\$ _____
<input type="checkbox"/> Housing costs:		\$ _____
<input type="checkbox"/> Related Fees:		\$ _____
<input type="checkbox"/> Other:		\$ _____
_____		\$ _____
_____		\$ _____
_____		\$ _____
Total		\$ <span style="border: 2px solid blue; padding: 2px 10px;"> </span>

➤ **Period covered by the educational payments (not to exceed 12 Months):**

\_\_\_\_/\_\_\_\_/\_\_\_\_ to \_\_\_\_/\_\_\_\_/\_\_\_\_

**Substantiation documents you must retain:**

- Tuition invoices, if any
- Report cards or other school-issued documents reflecting classes taken, if no invoices are available
- Excerpts from student handbook, reflecting cost of education
- Proof of payment

**Participant Certification**

I, \_\_\_\_\_, am applying for a hardship distribution from my Retirement Plan. I hereby certify under penalty of perjury that the information provided in this package is, to the best of my knowledge, true and accurate. I also agree to keep the source documents that show that a hardship occurred and the expenses for which the hardship distribution is being taken, and to make that information available at any time, upon request, to the Plan Sponsor or the Plan Administrator.

Participant Signature \_\_\_\_\_ Date: \_\_\_\_\_

## Section 4 – Payment to Prevent the Eviction From or Foreclosure on the Participant’s Principal Residence

Complete this section if the Hardship Distribution will be used to prevent the **Participant’s** eviction from or foreclosure on his/her **principal** residence.

*Please Note:* A hardship distribution may be obtained only to prevent imminent eviction or foreclosure. It may not be taken to make a normal rent or mortgage payment.

➤ **Is this the Participant’s principal residence?**  Yes  No

➤ **Address of the residence:** \_\_\_\_\_  
\_\_\_\_\_

➤ **Type of event:**

- Eviction from rental property
- Foreclosure on mortgage

➤ **Name, address, phone number and account number for the party that issued the eviction or foreclosure notice:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

➤ **Date of eviction/foreclosure notice:** \_\_\_\_/\_\_\_\_/\_\_\_\_

➤ **Due date of payment to avoid eviction/foreclosure:** \_\_\_\_/\_\_\_\_/\_\_\_\_

➤ **Amount needed to prevent eviction/foreclosure:** \$

### Substantiation documents you must retain:

- Notice of eviction/foreclosure
- If home is owned: mortgage documents
- If home is rented: rental or lease agreements
- Invoices or other proof of amount needed to prevent eviction/foreclosure
- Proof of payment

### Participant Certification

I, \_\_\_\_\_, am applying for a hardship distribution from my Retirement Plan. I hereby certify under penalty of perjury that the information provided in this package is, to the best of my knowledge, true and accurate. I also agree to keep the source documents that show that a hardship occurred and the expenses for which the hardship distribution is being taken, and to make that information available at any time, upon request, to the Plan Sponsor or the Plan Administrator.

Participant Signature \_\_\_\_\_ Date: \_\_\_\_\_

## Section 5 – Payment of Funeral and Burial Expenses

Complete this section if the Hardship Distribution will be used to pay funeral or burial expenses for the Participant's spouse or dependent or the person who is the primary beneficiary of the Participant's benefits in the Plan.

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*Please Note:* If you are paying expenses of a dependent, the person must be a dependent as defined in Internal Revenue Code Section 152.

➤ **Name of the deceased:** \_\_\_\_\_

➤ **Relationship to the participant:**

- Spouse
- Parent
- Child
- Dependent
- Primary Plan Beneficiary

➤ **Date of death:** \_\_\_\_/\_\_\_\_/\_\_\_\_

➤ **Name and address of service provider (cemetery, funeral home, etc.):**

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➤ **Amount Needed to Pay the Funeral and Burial Expenses:** \$

### Substantiation documents you must retain:

- Death certificate
  - Invoices or other proof of expenses incurred
  - Proof of payment
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### Participant Certification

I, \_\_\_\_\_, am applying for a hardship distribution from my Retirement Plan. I hereby certify under penalty of perjury that the information provided in this package is, to the best of my knowledge, true and accurate. I also agree to keep the source documents that show that a hardship occurred and the expenses for which the hardship distribution is being taken, and to make that information available at any time, upon request, to the Plan Sponsor or the Plan Administrator.

Participant Signature \_\_\_\_\_ Date: \_\_\_\_\_

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## Section 6 – Payment for Repairs in Relations to Damages to the Participant’s *Principal Residence*

Complete this section if the Hardship Distribution will be used to pay for repairs to the **Participant’s residence caused by casualty losses.**

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*Please Note:* A hardship distribution is available to cover only those casualty expenses that would be deductible under Internal Revenue Code Section 165, even if you do not actually deduct them on your tax return. (You may not be able to deduct these expenses because you do not itemize your deductions or because the amount of your casualty loss is not sufficient for deduction.)

➤ Was the damage to the Participant’s principal residence?  Yes  No

➤ Address of the residence: \_\_\_\_\_  
\_\_\_\_\_

➤ Date of the casualty loss: \_\_\_\_/\_\_\_\_/\_\_\_\_

➤ Briefly describe the cause of the casualty:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

➤ Name and address of service provider(s) for the repairs:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

➤ Briefly describe the repairs (including the dates on which the repairs took place):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

➤ Have the repairs been completed?  Yes  No Amount of the Repairs: \$

### Substantiation documents you must retain:

- Documentation of the damage
- Insurance submissions regarding damage
- Invoices for repairs
- Proof of payment

### Participant Certification

I, \_\_\_\_\_, am applying for a hardship distribution from my Retirement Plan. I hereby certify under penalty of perjury that the information provided in this package is, to the best of my knowledge, true and accurate. I also agree to keep the source documents that show that a hardship occurred and the expenses for which the hardship distribution is being taken, and to make that information available at any time, upon request, to the Plan Sponsor or the Plan Administrator.

Participant Signature \_\_\_\_\_ Date: \_\_\_\_\_



## Section 7 – Expenses for Disasters Arising from Federally Declared Disasters

Complete this section if the Hardship Distribution will be used to pay expenses for disasters arising from federally declared disasters, such as your expenses and losses (including loss of income) attributable to that disaster, provided your **principal residence** or **place of employment** was in an area FEMA designates as qualifying for individual assistance.

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➤ **Date of the FEMA Designation:** \_\_\_\_/\_\_\_\_/\_\_\_\_

➤ **Where was this loss experienced?**

- Home Address \_\_\_\_\_
- Work Address \_\_\_\_\_
- Both

➤ **Briefly describe the cause of the loss (i.e. natural disaster including hurricane, fire, etc.):**

\_\_\_\_\_

➤ **List the Nature and Amount of Each Type of Loss:**

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➤ **Total Loss Amount \$**

### Substantiation documents you must retain:

- Documentation of the damage
- Insurance submissions regarding damage
- Invoices for repairs
- Proof of payment
- Payroll reports for the period immediately preceding the disaster

### Participant Certification

I, \_\_\_\_\_, am applying for a hardship distribution from my Retirement Plan. I hereby certify under penalty of perjury that the information provided in this package is, to the best of my knowledge, true and accurate. I also agree to keep the source documents that show that a hardship occurred and the expenses for which the hardship distribution is being taken, and to make that information available at any time, upon request, to the Plan Sponsor or the Plan Administrator.

Participant Signature \_\_\_\_\_ Date: \_\_\_\_\_