



# B.A.C. Trust Funds

• Defined Benefit Pension • Define Contribution • Profit Sharing

## HARDSHIP DISTRIBUTION

### ARTICLE XIV. DISTRIBUTIONS OF BENEFITS

**Section 14.7** An employee shall be entitled, upon application and demonstration of financial hardship, to withdraw up to 50% of his or her vested interest in funds that have been in the Profit-Sharing account for at least two years, providing that the employee may not withdraw more than \$20,000 net per hardship distribution. The amount requested for a hardship distribution from the Plan may not exceed the amount required to relieve the financial need. The hardship will be determined by the Trustees in accordance with applicable Treasury Regulations. Unless otherwise prescribed in the Regulations, “financial hardship” means an employee’s immediate and heavy financial need that cannot be met from other reasonably available resources and is caused by one or more of the following:

- a) Medical expenses as defined in section 213(d) of the Code of the Employee or the Employee’s Eligible Spouse or dependents not covered or paid for through insurance or any other third party;
- b) Financing the cost of education beyond the secondary level for the Employee, his or her Eligible Spouse, or one or more of his or her dependents;
- c) The cost of preventing eviction or foreclosure on the Employee’s principal residence;
- d) The cost of any other demonstrated bill which causes the Employee, the Employee’s Spouse or dependents present or impending want or privation;
- e) Burial or funeral expenses for the Employee’s Eligible Spouse or dependent.
- f) Transportation expenses for the Employee associated with traveling to and from work, including but not limited to the costs for purchasing a reliable vehicle, repairing the Employee’s primary vehicle, cost and fees associated with the maintaining the Employee’s valid driver’s license and vehicle, or the Employee’s car insurance. A financial hardship for transportation expenses for an Employee does not include the cost of gas, cosmetic changes to a vehicle, the purchasing of a recreational vehicle, plan tickets, FastTrack devices, or ride-share costs.

A participant making an application under this Section has the burden of presenting to the Trustees written proof of such financial need so that the application for hardship withdrawal can be considered. A participant may apply and seek pre-approval of his or her application for a hardship withdrawal for any of the costs listed above that the Participant reasonably expects to cause a financial hardship within the next six months. If a Participant’s application is pre-approved, then the Participant may receive a withdrawal only upon furnishing the actual bill or invoice. A participant who is below the Age of 59 ½ on the date of his or her application may not take more than one hardship distribution per calendar year. A participant may not take more than three hardship distribution in his or her lifetime.

A participant who is age 59 ½ or older on the date of his or her application may apply for a second hardship distribution in the same calendar year, provided that the second distribution must meet a above requirements and may not exceed \$10,000. An administrative fee of \$125 shall be charged for a second hardship application.

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## Page 2 – Hardship Distribution Application

3. I represent that the amount requested does not exceed the amount required to relieve the financial need described above, and that this financial need cannot be satisfied from other sources or assets available to me, which includes any resources from my spouse and minor children.
4. I understand that it is my responsibility to provide written proof of this financial need to the Trustees so that my application for hardship distribution can be considered.
5. I understand that, if approved, the amount I will receive will be a taxable distribution from the Plan. I understand that payments from the Plan are subject to federal and state income tax, and that taxes will be withheld from the distribution amount, unless I elect out of withholding.
6. I understand that I must pay an additional 10% federal penalty tax and a 2.5% California penalty tax if I am under age 59 ½ and the hardship distribution is not used for the payment of certain medical expenses. I understand that the federal and state penalties for early withdrawal are in addition to my regular income taxes.

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Participant Signature

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Date

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Spouse Signature

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Date



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## LOCAL NO. 3 DEFINED CONTRIBUTION PENSION PLAN HARDSHIP WITHDRAWAL SELF-CERTIFICATION FORM

I \_\_\_\_\_ have applied for a hardship distribution under the B.A.C. Local No. 3 Defined Contribution Pension Plan ("Plan") and the amount requested is the lesser of \$5,000 or 50% of my account balance. I hereby self-certify that my financial hardship distribution is on account of an immediate and heavy financial need of the type(s) selected below: *(please check all that apply)*:

☐ Medical expenses as defined in Section 213(d) of the Internal Revenue Code for you, your Eligible Spouse, or dependents not covered or paid for through insurance or any other third party;

☐ Financing the cost of education beyond the secondary level for you, your Eligible Spouse, or one or more of your dependents;

☐ The cost of preventing eviction or foreclosure on your principal residence;

☐ The cost of any other demonstrated bill which causes you, your Spouse, or dependents present or impending want or privation;

☐ Burial or funeral expenses for your Eligible Spouse, or dependent;

☐ Transportation expenses for you that are associated with traveling to and from work. (Please note, a financial hardship for transportation expenses does not include the cost of gas, cosmetic changes to a vehicle, the purchasing of a recreational vehicle, plane tickets, FastTrack devices, or ride-share costs).

I also hereby self-certify that the amount requested does not exceed the amount required to relieve the immediate and heavy financial need and cannot be met from other reasonably available resources.

Signature \_\_\_\_\_

Date \_\_\_\_\_



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## **CERTIFICATION OF MARITAL/SINGLE STATUS**

### **PARTICIPANT INFORMATION**

Name: \_\_\_\_\_ SSN: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Marital Status: ☐ Married ☐ Single (Never Married) ☐ Divorced & Re-Married  
☐ Divorced ☐ Widow ☐ Other (Please Specify): \_\_\_\_\_

### **SPOUSE INFORMATION**

Name: \_\_\_\_\_ SSN: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Date of Marriage: \_\_\_\_\_

If you have been divorced or legally separated, please submit a complete copy of your Judgment(s) of Divorce and Qualified Domestic Relations Orders (including Separation Agreements, Property Settlement Agreements, and any similar or related orders with any attachments). All divorce documents are reviewed by the Plan's legal counsel.

### **PRIOR SPOUSE INFORMATION**

Name: (if none, please indicate NONE): \_\_\_\_\_

Date of Prior Marriage: \_\_\_\_\_ Date of Separation: \_\_\_\_\_

Marriage terminated due to: \_\_\_\_\_  
(Death, divorce, dissolution, other (Please Specify))

Address (if living): \_\_\_\_\_

If you have had more than one marriage, please attach a separate sheet of paper providing the information requested in item B above for each such marriage

I certify that all the information provided on this form is complete and accurate.

Participant Signature

Date

**(Your signature must be notarized. See next page)**

Page 2 - **Certification of Marital/Single Status**



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## Page 2 - Certification of Marital/Single Status

### NOTARY PUBLIC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of \_\_\_\_\_

County of \_\_\_\_\_

On \_\_\_\_\_, before me, \_\_\_\_\_ personally

NAME, TITLE OFFICER – E.G., “JANE DOE, Notary Public

appeared \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the state of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

\_\_\_\_\_  
Signature of Notary Public

My Commission expires: \_\_\_\_\_

### Plan Administrator Acknowledgment

I affirm that any signature of a Participant’s spouse in this section has been witnessed either by me or by a Notary Public.

\_\_\_\_\_  
Plan Administrator (Print Name)

\_\_\_\_\_  
Plan Administrator

\_\_\_\_\_  
Signature Date



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## SPOUSAL CONSENT

I am the legal spouse of \_\_\_\_\_, (Participant's Name) and I acknowledge that I have been supplied a copy of the Plan Provisions and the Rules and Regulations adopted by the Trustees applicable for a Hardship from Individual Accounts and that I have read the Plan Provisions and Rules and Regulations and agree to abide by these provisions. I hereby consent to my spouse's application for Hardship from the B.A.C. Local No. 3 Profit Sharing Pension Plan.

I understand that I have the right under law to receive a 50% Joint and Survivor Annuity which will pay benefits to me for my lifetime, and that my spouse may not elect any other form of benefit, or name anyone other than me as a beneficiary, unless I give my consent by signing below. I understand that I can withdraw my consent to this form of benefit and this beneficiary only until my spouse receives the first check from the Defined Contribution Plan, and that any withdrawal of my consent must be in writing and delivered to the Plan Administration Office prior to payment of the first check. I hereby consent to my spouse's election of this hardship withdrawal and elect to waive the 50% joint and survivor annuity.

I acknowledge that any distribution made to my spouse will reduce the amount to which I may be entitled to in the event of my spouse predeceasing me or in the event of a divorce or other domestic relation proceeding resulting in the termination of the marital relationship or a legal separation.

Participant Name

SSN

Spouse Name

SSN

Spouse Signature (**Must be Notarized**)

Date

## NOTARY PUBLIC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of \_\_\_\_\_

County of \_\_\_\_\_

On \_\_\_\_\_, before me, \_\_\_\_\_ personally

NAME, TITLE OFFICER – E.G., "JANE DOE, Notary Public

appeared \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the state of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature of Notary Public

My Commission expires: \_\_\_\_\_



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## TAX WITHHOLDING INFORMATION AND ELECTION

Distributions from Qualified Retirement Plan that are not eligible for rollover are subject to federal income tax unless you affirmatively elect NOT to have withholding apply to such payments. Generally, such distributions are subject to 10% withholding unless you elect to have an additional amount withheld or elect to have no withholding. Please note if you do not complete and return this election from or if you have not previously elected out of withholding, we are required to withhold federal income tax from any distribution you receive from this Plan based on IRS withholding rules governing this type of distribution.

If federal and state early-distribution penalties apply to this distribution because you are under age 59 ½, the federal and state penalties will be withheld regardless of your election to withhold federal and state incomes taxes.

If you elect to have no federal taxes withheld from your distribution payments, or if you do not have enough taxes withheld from your distribution, you may be responsible for payment of estimated taxes. **We strongly urge you to consult with your tax advisor before you make this election.**

### **Federal Withholding**

- ☐ DO NOT withhold federal income tax from my distribution
- ☐ Withhold 10% of my gross distribution
- ☐ Withhold \_\_\_\_\_% or \$ \_\_\_\_\_ from my distribution

### **State Withholding** State: \_\_\_\_\_

- ☐ DO NOT withhold federal income tax from my distribution
- ☐ Withhold 10% of my gross distribution
- ☐ Withhold \_\_\_\_\_% or \$ \_\_\_\_\_ from my distribution

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I expressly assume responsibility for any adverse consequences which may arise from the election(s), and I agree that the Plan shall in no way be responsible or liable for any tax, legal or other consequences of the election I have made on this form.

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Participant Signature

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Date