

Baltimore-Washington Construction and Public Employees, Laborers' District Council Defined Contribution Retirement Plan

7130 Columbia Gateway Drive, Suite A
Columbia, MD 21046

410-872-9500 Phone

410-872-1275 Fax

APPLICATION AND AFFIDAVIT FOR HARDSHIP WITHDRAWAL

LiUNA!
BALTIMORE/WASHINGTON, DC

This package contains:

- ✓ Cover Letter (2 pages)
- ✓ Application for Hardship Withdrawal and Affidavit of Need (3 pages)

For quick turnaround on your application, please be sure to also provide the following:

- ✓ Proof of age for you and your spouse, if married (birth certificate or drivers license).
- ✓ Copy of your marriage certificate (if married).
- ✓ Copy of your divorce decree (if divorced).
- ✓ Copy of your Qualified Domestic Relations Order (QDRO) (if established).

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HARDSHIP WITHDRAWAL

Attached for you to complete is an Application for Hardship Withdrawal and Affidavit of Need. The Board of Trustees of the Fund will permit you to get money from your Individual Account if certain requirements are met, even if you are not at this time otherwise eligible to receive benefits from the Fund.

You must meet certain requirements to be able to get a Hardship Withdrawal. First of all, it will be granted only if it is for one the following reasons:

- Uninsured medical expenses incurred by you, your spouse, your dependents, or non-dependent family members.
- Expenses for the purchase of your principal residence (excluding mortgage payments).
- Tuition and room and board for the next 12 months of post-secondary education for you, your spouse, your children or your dependents.
- Payments necessary to prevent you from being evicted from your principal residence or to prevent the mortgage on your principal residence from being foreclosed.
- Burial or funeral expenses for your parent, spouse, children or dependents.
- Expenses for the repair or damage to your principal residence that would qualify you for a casualty deduction for federal income tax purposes (without regard to whether the loss exceeds 10% of your adjusted gross income).

Another requirement is that you must have an immediate and heavy financial need which cannot be met by your personal assets or savings, commercial borrowing on reasonable terms, reimbursement from insurance, or loans or distributions from other plans in which you participate. Also, the amount of the Hardship Withdrawal must be limited to the sum necessary to satisfy the immediate obligation.

In most cases, you will not have to provide supporting evidence to the Fund that you cannot get the money from another source. All you will have to do is complete the application truthfully.

Money received as a hardship withdrawal will be treated as taxable income for federal tax purposes. The Fund is required by Federal law to withhold 10% of the amount of the hardship withdrawal for federal tax purposes. However, you can choose not to have the Fund withhold this 10% by filling out the Waiver attached to the Application and returning it to the Fund. If you do so, you will be responsible for paying the full amount of federal tax owed. If you choose not to complete the Waiver, the Fund will withhold 10% for tax purposes. Also, if you are under age 59½, you will owe an additional 10% in federal income tax. The Fund will not deduct this amount; it will

be your responsibility to pay. However, if the reason you are taking the withdrawal is to pay medical expenses, you will not owe this extra 10% if the amount of these expenses is more than 7.5% of your gross income.

To request a Hardship Withdrawal, you must complete the Application for Hardship Withdrawal and Affidavit of Need. You must sign the application in front of a notary who must notarize it. To pay for the costs to the Fund of processing the Application, your Individual Account will be charged \$100.00.

In signing the Application, you are swearing that the information you have provided is true. You also agree to provide the Fund with any information or documents it might need in processing the Application. Further, if your Application is false in some way, the Fund will have the right to seek reimbursement from you if it incurs any penalties from the IRS or other agency that result from relying on your statement.

The completed Application must be returned to the Fund at the following address:

**Baltimore-Washington Construction and Public Employees,
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If the Application is properly completed, the Fund should be able to review it and distribute your Hardship Withdrawal within two weeks of when it was received.

**BALTIMORE-WASHINGTON CONSTRUCTION
AND PUBLIC EMPLOYEES, LABORERS' DISTRICT COUNCIL
DEFINED CONTRIBUTION RETIREMENT PLAN**

**7130 Columbia Gateway Dr. Suite A
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Toll Free: 866-553-6559

Fax: 410-872-1275

HARDSHIP WITHDRAWAL WITHHOLDING WAIVER

Instructions. The Fund is required by Federal law to withhold 10% of the amount of your distribution for Federal income tax purposes. However, if you wish, you can direct the Fund not to withhold this amount. If you do not want any Federal income tax withheld from your distribution, sign and date this form below and return it to the Fund.

Even if you elect not to have Federal income tax withheld by the Fund, you will be liable for payment of all Federal income tax on the taxable portion of your distribution. You may be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not accurate.

I do not want to have Federal income tax withheld from my distribution.

Signed _____
(name) _____
(date)

OPTIONAL ADDITIONAL WITHHOLDING

I would like the Fund to withhold the required 10% of the amount of my distribution for Federal income tax purposes, plus an additional 10% for Federal income tax; *thereby making the total amount withheld for taxes 20%.*

Signed _____
(name) _____
(date)

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APPLICATION FOR HARDSHIP WITHDRAWAL AND AFFIDAVIT OF NEED

Participant Name: _____ Phone Number: _____

Address: _____ Date of Birth: _____

Social Security Number: _____

SECTION I: This section must be completed by the Participant.

Part A: Reason for Withdrawal

I am requesting a hardship withdrawal from the Baltimore-Washington Construction and Public Employees, Laborers' District Council Defined Contribution Retirement Plan for (check one):

- Uninsured medical expenses incurred by you, your spouse, your dependents, or non-dependent family members.
- Expenses for the purchase of your principal residence (excluding mortgage payments).
- Tuition and room and board for the next 12 months of post-secondary education for you, your spouse, your children or your dependents.
- Payments necessary to prevent you from being evicted from your principal residence or to prevent the mortgage on your principal residence from being foreclosed.
- Burial or funeral expenses for your parent, spouse, children or dependents.
- Expenses for the repair or damage to your principal residence that would qualify you for a casualty deduction for federal income tax purposes (without regard to whether the loss exceeds 10% of your adjusted gross income).

Part B: Amount of Withdrawal

I am requesting a hardship withdrawal in the following amount: _____. (Hardship withdrawals of less than \$1,000 are not permitted). There is an immediate and heavy financial need for this sum, and the amount of the distribution being sought is limited to the amount needed to satisfy this need.

The hardship for which I have requested a withdrawal cannot be satisfied by any of the following means:

1. Reimbursement or compensation by insurance.
2. Use or liquidation of personal assets.
3. Ceasing all elective or voluntary contributions to any benefit plans in which I participate.
4. All possible distributions from plans in which I participate.
5. All non-taxable loans from plans in which I participate.
6. Borrowing on commercial sources on reasonable terms.

Part C: Marital Status

Please check the appropriate box:

I am not married. (Include copy of divorce decree, if divorced.)
 I am married.

Part D: Certification

I certify that these representations made in this application, and any additional information or evidence supplementing this application, are true and correct. I further understand that the Trustees are relying on the accuracy and completeness of these representations in making a determination on my application for a hardship withdrawal. I agree to provide the Trustees with any information and evidence they deem necessary to determine whether to grant my application for a hardship withdrawal. In submitting this affidavit, I acknowledge that if I have made any false material statement, I will be liable to the Fund for any penalties and expenses incurred by the Fund in relying on that statement.

SIGNED: _____ Date: _____
(Participant)

Subscribed and sworn before me on _____ (Date).

_____ (Signature of Notary)

Notary Public in and for the County of _____, State of _____.

My commission expires _____ (Date).

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BENEFICIARY DESIGNATION

I, _____, hereby designate as my primary beneficiary to receive benefits, if any, payable upon my death, under the Rules and Regulations of the Plan.

1. NAME OF PRIMARY
BENEFICIARY: _____

RELATED TO ME AS:

**ADDRESS OF PRIMARY
BENEFICIARY:** _____

I designate as my contingent beneficiary to receive benefits, if any, payable upon my death should my Primary Beneficiary not survive me.

**11. NAME OF CONTINGENT
BENEFICIARY:**

RELATED TO ME AS: _____

**ADDRESS OF CONTINGENT
BENEFICIARY:** _____

Name of Participant

Social Security Number

Signature of Participant

Date

Signature of Witness (other than beneficiary)

Date

(over)

