

SHEET METAL WORKERS' LOCAL UNION NO. 292 ANNUITY FUND

Application for Hardship Distribution Checklist of Forms and Required Documentation

Please use the checklists below to make sure that you have completed your application. This will expedite the application process. Missing documents and an incomplete application form will delay the processing of your application. Review the forms you are submitting to make sure that you have completed all blanks, signed where necessary, including the signature of a notary public where applicable and answered the questions accurately and completely.

- Completed Application
- Certification of Hardship
- Spousal Consent
- Certificate of Martial/Single Status
- Marriage Certificate
- Participant's Birth Certificate
- Participant's Photo ID

- Spouse's Birth Certificate
- Spouse's Photo ID

Previous Marriages:

- Judgment(s) of Divorce, including any Qualified Domestic Relations Order(s) and Property Settlement Agreement(s).
- Death Certificate(s) of former spouse(s)

Reason for Hardship and Required Documents:

MEDICAL: Uninsured expenses for medical care for you, your spouse or your child or dependent

- Invoice or letter from health care provider describing cost and need.
- Benefit statement showing insurance won't cover it.
- Proof of relationship*.

EDUCATION: College, graduate school, approved trade or technical school for you, your spouse or your child or dependent.

- Invoice or letter from school confirming enrollment AND expenses.
- Proof of relationship*.

FORECLOSURE/EVICTION: Foreclosure or Eviction from principal residence.

- Foreclosure Notice.
- Notice of Foreclosure Sale.
- Eviction Notice.

HOME PURCHASE: Purchase of Principal Residence.

- Signed purchase agreement.

FUNERAL: Funeral and Burial Expenses for your parent, spouse, child or dependent.

- Death Certificate.
- Invoice from funeral home and/or cemetery.
- Proof of relationship*.

DAMAGE REPAIR: Repair of Damage to Your Principal Residence.

- Evidence of damage.
- Proof of ownership**.
- Repair bill.
- Proof that insurance proceeds did not cover the expense

WEDDING EXPENSES: Expenses associated with your child's wedding to occur within the next 18 months.

- Copies of invoices for wedding expenses.
- Proof of relationship*.

*Proof of relationship is required if expense is for a spouse, parent, child or dependent. Proof of relationship can be provided via marriage certificate, birth certificates, or in the case of a dependent, legal proof that he/she is your dependent.

**Sufficient proof of ownership of principal residence would be a copy of the title or deed to the property.

IMPORTANT! Several forms contained in this packet are REQUIRED to be signed in front of a Notary Public. The date of your signature MUST match the date of the Notary's signature. Notaries are often employed by banks, real estate agencies and governmental agencies (e.g. city hall). Failure to comply with this requirement will result in a delay in processing your application.

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Application for Hardship Distribution ALTERNATIVE PROOF OF AGE DOCUMENTS

(accepted when birth certificate is unavailable)

In order to be eligible for retirement benefits, you are required to produce proof of your age. The following is a list of the documents that may serve as proof of your age. Some of these documents are better proof than others. The list is arranged starting with the best type of proof, and going down to the less desirable types of documents. You are required to furnish the best type of proof that is available. You do not have to furnish the original of any of these documents; you may submit a photocopy.

1. A birth certificate.
2. A baptismal certificate or a statement as to the date of birth shown by a church record, certified by the custodian of such record.
3. Notification of registration of birth in a public registry of vital statistics.
4. Hospital birth record, certified by a custodian of such record.
5. A foreign church or government record.
6. A signed statement by the physician or midwife who was in attendance at birth, as to the date of birth shown on their records.
7. Naturalization record.
8. Immigration papers.
9. Military record.
10. Passport.
11. School record, certified by the custodian of such record.
12. Vaccination record, certified by the custodian of such record.
13. An insurance policy, which shows the age or date of birth.
14. Marriage records showing date of birth or age (applications for marriage license or church record, certified by the custodian of such record; or marriage certificate).
15. Document showing approval of Social Security Pension.
16. Other evidence, such as signed statements from persons who have knowledge of the date of birth, voting records, poll-tax receipts, driver's license, etc.

SHEET METAL WORKERS' LOCAL UNION NO. 292 ANNUITY FUND

P.O. Box 189

Troy, Michigan 48099-0189

(248) 641-4992 ♦ TOLL-FREE: (888) 646-6565

APPLICATION FOR HARDSHIP DISTRIBUTION

I am applying for a hardship distribution from the Sheet Metal Workers' Local Union No. 292 Annuity Fund (the Fund) and certify that the information listed below is correct.

You are strongly encouraged to consult with a professional tax advisor before you take a hardship distribution from the Plan.

Name _____ Social Security Number _____ Date of Birth _____

Full Address _____

Home Phone Number _____ Alternate Phone Number _____

Spouse's Name _____ Social Security Number _____ Date of Birth _____

I am requesting a distribution in the amount of \$ _____ which is required to meet an immediate and heavy financial need and may include any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution.

The reason for my request is (check applicable box, complete blanks, and attach the documentation listed):

- I (or my spouse or dependent) have incurred uninsured expenses for medical care (or need the funds to obtain medical care) in the amount of \$ _____ and those expenses are deductible under Internal Revenue Code §213(d), determined without regard to whether the expenses exceed 7.5% of my adjusted gross income. (A copy of the invoice, or letter from my health care provider describing the cost and need for the procedure, along with benefit statement or other evidence that insurance will not cover the expense, are attached.)
- I (or my spouse, child or dependent) am attending college (or an approved trade or technical school or graduate school) and require \$ _____ for the next 12 months of tuition, related educational fees, and room and board expenses. (A copy of the invoice or letter from the school confirming enrollment and expenses is attached.)
- I need \$ _____ to prevent eviction from my principal residence or foreclosure on the mortgage on my principal residence. (A copy of the Notice of Foreclosure Sale, eviction notice or foreclosure notice is attached.)
- I need \$ _____ for use in the purchase of my principal residence. I will not use any of it for a mortgage payment. (A copy of the signed purchase agreement is attached.)
- I need \$ _____ for payment of burial or funeral expenses for my deceased parent, spouse, child, or dependent. (A copy of death certificate and funeral home bill showing the costs of the burial or funeral are attached.)
- I need \$ _____ for expenses to repair damages to my principal residence that would qualify as a casualty deduction, determined without regard to whether the expenses exceed 10% of my adjusted gross income. (Evidence of the casualty, repair bill, and proof that insurance proceeds did not cover the expense are attached.)
- I need \$ _____ for expenses for my child's wedding to occur within the next 18 months from the date of this application. (Copies of invoices for expenses associated with the wedding.)

I hereby certify, subject to the penalty of perjury, that the above information is, to the best of my belief and knowledge, true and complete. **Any person who supplies a false certification in claiming a benefit forfeits any right he or she may have to the benefit and, upon discovery, becomes liable for full repayment of any money received as a consequence.**

Participant's Signature

Date



CERTIFICATION OF HARDSHIP

I certify that the distribution requested does not exceed the amount of my immediate and heavy financial need (including any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution). I have attached documents supporting my hardship distribution request, and I agree to provide any additional documentation that is requested, such as birth certificates and/or marriage certificates required to establish my relationship(s) to others as required.

I certify that I cannot meet this immediate and heavy financial need through other assets and resources including assets of my spouse and minor children that are reasonably available to me; reimbursement or compensation by insurance or otherwise; or by borrowing from the Fund or other commercial sources on reasonable commercial terms in an amount sufficient to satisfy the need.

I certify that I have obtained all other currently available distributions (including ESOP dividends) other than hardship distributions and all nontaxable loans available under any other retirement plans maintained by my employers.

I acknowledge and agree that under the terms of the Plan, I will be precluded from making elective deferrals and voluntary employee contributions to the Fund and all other retirement plans maintained by my employers for at least a six-month period following receipt of this hardship distribution.

I understand that any amounts paid to me from the Fund as a result of this request are not a loan, cannot be returned to the Fund, will constitute taxable income to me and will also be subject to a 10% early distribution penalty unless an exception applies. I further understand that withholding will be based on the withholding rules for retirement plan distributions unless I elect otherwise.

I hereby certify, subject to the penalty of perjury, that the above information is, to the best of my belief and knowledge, true and complete. **Any person who supplies a false certification in claiming a benefit forfeits any right he or she may have to the benefit and, upon discovery, becomes liable for full repayment of any money received as a consequence.**

IMPORTANT: DO NOT SIGN BELOW UNLESS YOU ARE IN THE PRESENCE OF A NOTARY PUBLIC

Participant's Signature

Date

Place Notary Stamp/Seal Here

Subscribed to and sworn to before me,
This _____ day of _____, 20____.

Notary Signature _____

Notary Public, _____ County

State of _____

My Commission expires _____

***Notice to Notaries:** Federal Law (i.e., the Retirement Equity Act of 1984) requires that the above Form must be executed in the presence of an authorized Plan representative or a Notary Public. Accordingly, it is most important that you not only witness the actual signature identified above, but also examine their credentials to satisfy yourself that they are, in fact, the same persons as the ones identified.



CERTIFICATION OF MARITAL/SINGLE STATUS

Federal Law requires the Trustees to confirm whether a previous spouse is entitled to any portion of your pension benefits. As such, it is necessary that we request the following certification and supporting documentation. **Failure to complete this form fully, including signing it in front of a notary public, and providing ALL documentation requested, will result in a delay of the processing of your application.**

Your Name: _____ SSN: _____

Current marital status:

- SINGLE, NEVER MARRIED
- SINGLE, PREVIOUSLY MARRIED*
- MARRIED, NO PREVIOUS MARRIAGES
- MARRIED, WITH PREVIOUS MARRIAGE(S)*
- LEGALLY SEPARATED*

*If you have had previous marriages, please list the names of your ex-spouses, the date(s) of marriage and date(s) of divorce (if any of your previous marriages ended due to the death of your spouse at the time, please list the date of death):

Former Spouse's Name Date of Marriage Date of Divorce/Death

Please provide complete signed copies of ALL marriage certificates, Judgment(s) of Divorce, Divorce Decree(s), Separation Agreement(s), Qualified Domestic Relations Order(s), Property Settlement Agreement(s), and any other similar or related orders in the Court's file that relate to the distribution of property, including all attachments to such documents related to the termination of your previous marriage(s). If you provide a copy of the docket report for your divorce case(s), the review required by the Fund can be significantly expedited. If any previous spouse(s) has passed away, please provide a copy of the death certificate(s). If you do not have these documents, you should contact the appropriate court through which the proceedings occurred in order to obtain certified copies.

I hereby certify, subject to the penalty of perjury, that the above information is, to the best of my belief and knowledge, true and complete. Any person who supplies a false certification in claiming a benefit forfeits any right he or she may have to the benefit and, upon discovery, becomes liable for full repayment of any money received as a consequence.

IMPORTANT: DO NOT SIGN BELOW UNLESS YOU ARE IN THE PRESENCE OF A NOTARY PUBLIC

Your Signature

Your Social Security No.

Today's Date

Place Notary Stamp/Seal Here

Subscribed to and sworn to before me,
This _____ day of _____, 20____.

Notary Signature _____

Notary Public, _____ County

State of _____

My Commission expires _____

***Notice to Notaries:** Federal Law (i.e., the Retirement Equity Act of 1984) requires that the above Form must be executed in the presence of an authorized Plan representative or a Notary Public. Accordingly, it is most important that you not only witness the actual signature identified above, but also examine their credentials to satisfy yourself that they are, in fact, the same persons as the ones identified.



SPOUSAL CONSENT TO A HARDSHIP DISTRIBUTION

****This form should be completed by your spouse****

I acknowledge that I have read and understand the following:

- a. My spouse is a Participant in the Sheet Metal Workers' Local Union No. 292 Annuity Fund.
- b. The Fund is a defined contribution profit sharing plan which provides for distributions required to meet an established immediate and heavy financial need and my spouse has requested such a distribution.
- c. I fully understand that the amount distributed is not a loan, it cannot be returned to the Fund, will constitute taxable income to my spouse and will also be subject to a 10% early distribution penalty unless an exception applies.
- d. I fully understand that the effect of this distribution will be to reduce the amount that may be payable to me from the Fund upon the death of my spouse.

I acknowledge that I have read and understand the information set out in this form and I hereby consent to my spouse's request for a distribution to meet the established immediate and heavy financial need indicated on the application form.

IMPORTANT: DO NOT SIGN BELOW UNLESS YOU ARE IN THE PRESENCE OF A NOTARY PUBLIC

Signature of Spouse

Date

Signature of Applicant

Date

I have witnessed the execution of the foregoing consent by _____, who identified herself/himself to me.

Signature of Witness

Date

Place Notary Stamp/Seal Here

Subscribed to and sworn to before me,
This _____ day of _____, 20____.

Notary Signature _____

Notary Public, _____ County

State of _____

My Commission expires _____



HARDSHIP FOR MEDICAL INVENTORY OF INVOICES

If you need more room, please contact the Fund Office for additional forms.

Instructions:

List the invoices above for which you are seeking reimbursement - all sections must be completed. All invoices that you submit with your application must be listed on this sheet. These must be invoices direct from the medical care physician or facility and must be current. Balance-due statements and notices from collection agencies will not be accepted. Please do not submit duplicate invoices.

I hereby certify, subject to the penalty of perjury, that the above information is, to the best of my belief and knowledge, true and complete. Any person who supplies a false certification (or duplicate invoices) in claiming a benefit forfeits any right he or she may have to the benefit and, upon discovery, becomes liable for full repayment of any money received as a consequence.

YOUR SIGNATURE

DATE



FREQUENTLY ASKED QUESTIONS

Regarding Hardship Distributions

QUESTION: What types of immediate and heavy financial needs are eligible for hardship distributions?

ANSWER: You can obtain a Hardship Distribution, with the proper documentation and proof, if you have an immediate and heavy financial need for one of the following six (6) reasons:

- Deductible expenses for medical care previously incurred by the participant, the participant's spouse, or the participant's dependents or necessary for them to obtain medical care;
- Costs directly related to the purchase of the participant's principal residence (excluding mortgage payments);
- Payments necessary to prevent the eviction from, or foreclosure on a mortgage of, the participant's principal residence;
- Payment of tuition, related educational fees, and room and board expenses, for the next 12 months of post-secondary education for the participant, his spouse, children, or legal dependents;
- Funeral or burial expenses for the participant's spouse, parent, child or legal dependent; or
- Expenses for the repair of damage to the participant's principal residence (that qualify for the casualty deduction under the Internal Revenue Service), or
- Expenses associated with a wedding of a child of the participant, to occur within the next 18 months.

QUESTION: What types of financial needs are NOT eligible for hardship distributions?

ANSWER: The Internal Revenue Service and the Plan provisions do not allow hardship distributions for anything other than the reasons listed in the answer above. Some examples of financial needs that are NOT ELIGIBLE are: Overdue credit card, utility, phone, or cable bills; automotive repairs, purchase or lease, registration or insurance; vacations; routine maintenance or repairs to your principal residence; funeral luncheons; mortgage payments; legal fees.

QUESTION: Will I be responsible for all of the taxes for this distribution, including the 10% excise tax?

ANSWER: YES. All taxes (20% federal income tax and 10% excise tax) will be deducted from this distribution. You are strongly encouraged to consult with a professional tax advisor before applying for this distribution.

QUESTION: Am I allowed to take future hardship distributions from this Fund?

ANSWER: YES, if you are qualified at that time. **But you are limited to one hardship distribution per 12 month period.**

QUESTION: How much can I take out of my account?

ANSWER: You may take a maximum of 50% of your account balance, but no more than \$50,000. **However, the amount that may be distributed to you cannot exceed the amount of your financial need and the resulting taxes.** For example – if you are in foreclosure and the foreclosure notice indicates that the foreclosure will be cancelled if you pay \$4,323.79, then your net distribution will not be more than \$4,323.79, plus an amount sufficient to pay the resulting taxes.

FREQUENTLY ASKED QUESTIONS

Regarding Hardship Distributions

QUESTION: Are there any other limits on the amount available from my account?

ANSWER: The amount distributed cannot include employer contributions based on work performed less than twenty four months prior to the first day of the month immediately preceding the date of the distribution or based on work performed prior to January 1, 1998, including any earnings on those contributions.

QUESTION: Is there an application fee?

ANSWER: NO.

QUESTION: Is this distribution considered a loan from my account? Do I have to pay it back? Can I pay it back if I want to?

ANSWER: NO. This is NOT a loan from your account. It is a special type of distribution from your account as defined by the IRS. You cannot pay it back.

QUESTION: Why do I have to certify that I have exhausted all other methods of resolving this financial need?

ANSWER: The IRS is very strict regarding non-retirement distributions from a profit sharing fund. Because this money is meant to provide you with regular income at the time of your retirement, it is necessary to protect these assets with strict regulations and controls. The IRS determines the conditions under which you may obtain a Hardship Distribution. One of those conditions is to encourage you to seek other financial means to resolve this need, such as savings, annuity fund loan, consumer loans, reimbursement from insurance companies, etc. The application contains a Certification of Hardship which you must sign in front of a Notary Public, certifying that you have exhausted all other means of resolving this financial need.

QUESTION: Must the entire application form be completed?

ANSWER: If you are currently married, YES, every form of the application must be completed. If you are single, every form must be completed EXCEPT for the Spousal Consent Form.

QUESTION: I am married. Does my spouse have to complete the Spousal Consent Form?

ANSWER: YES. This is REQUIRED.

QUESTION: If I am single, do I have to complete the Certification of Marital/Single Status Form?

ANSWER: YES. All applicants are required to complete this Form.

QUESTION: I was previously married, but it was many years ago or did not last long, do I still have to submit the Judgment of Divorce from that marriage?

ANSWER: YES. The Fund Office is required to verify whether ANY ex-spouse has been awarded a portion of your account. The only way for us to verify this is to review all Judgments of Divorce, Qualified Domestic Relations Orders and Property Settlement Agreements that you may have, *even if the divorce occurred prior to your participation in the Annuity Fund.*