

NOTICE OF HARDSHIP WITHDRAWALS

Your Retirement Plan provides that certain amounts may be withdrawn if you have a financial hardship. This hardship distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you receive at retirement. You may request a hardship distribution from your fully vested accounts in the Plan. You should review your Summary Plan Description for details on Hardship Withdrawals.

In addition, there are restrictions placed on hardship distributions which are made from certain accounts. These accounts are generally the accounts which receive your salary deferral contributions and other Employer contributions which are used to satisfy special rules that apply to 401(k) plans. Generally, the only accounts that can be distributed to you on account of a hardship from these amounts are your salary deferrals. The earnings on your salary deferrals and these special Employer contributions may not be distributed to you on account of a hardship. Ask the Administrator if you need further details.

In order to qualify for a hardship distribution, certain conditions must be satisfied. Generally, a hardship distribution may only be made for payment of the following:

- Expenses for medical care (described in Section 213(d) of the Internal Revenue Code) previously incurred by you, your spouse or dependent or necessary for you, your spouse or dependent to obtain medical care;
- Costs directly related to the purchase of your principal residence (excluding mortgage payments);
- Tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for yourself, your spouse or dependent;
- Amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- to pay for burial or funeral expenses for my deceased parent, spouse, children or dependents
- to pay expenses for repair of damage to the Employee's principal residence that would qualify for the casualty deduction under Code Section 165

If you have one of the above expenses, generally a hardship distribution can only be made if you certify and agree that all of the following conditions are satisfied:

- (a) The distribution is not in excess of the amount of your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution;
- (b) You have obtained all distributions, other than hardship distributions, and all nontaxable (at the time of the loan) loans currently available under all plans maintained by your Employer;
- (c) That your salary deferrals will be suspended for at least or six (6) months after your receipt of the hardship distribution; and

Regardless of the above, for distributions of amounts other than your salary deferrals, different rules apply. A hardship distribution can still only be made if there is an immediate and heavy financial need. In addition to the expenses listed above, a hardship distribution can be made to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from a hardship distribution. The Administrator must determine, based on all relevant facts and circumstances, whether you have other resources available to satisfy the financial need. You may be asked to certify and provide other documentation as requested to show that the need cannot be met by another alternative.

The amount of the hardship distribution will be considered taxable income and the early withdrawal penalty may apply if you are under age 59½. You may request additional funds of the hardship amount for taxes and elect to have the additional amount withheld. You should consult your tax advisor. If you wish to apply for a hardship distribution, you should fill out an application which the Plan Administrator will provide. Return the completed application to the Plan Administrator.

