

Savings Plus Program

401(k) Thrift Plan Hardship Withdrawal Form

Please read the information and instructions on the reverse side before completing this form.

SECTION I—Participant Information

Last Name, First Name, MI	Social Security Number (SSN)
Street Address	Date of Birth (mm/dd/yyyy)
City, State, ZIP Code	Daytime Telephone Number ()

Privacy Statement: The Information Practices Act of 1977 (*Civil Code* Section 1798.17) and the federal Privacy Act (Public Law 93-579) require that this notice be provided when collecting personal information from individuals. Information requested on this form is used by the Savings Plus Program for purposes of identification and account processing. You must furnish all the information requested on this form. Failure to provide the information may result in the action requested not being processed.

SECTION II—Reason for Hardship Withdrawal

- Expenses for (or necessary to obtain) medical care that would be deductible from the participant's federal income taxes under *Internal Revenue Code* (IRC) Section 213(d), determined without regard to whether the expenses exceed 7.5% of adjusted gross income. Attach medical bills or estimates.
- Costs directly related to the purchase of a principal residence for the participant, excluding mortgage payments. Attach the purchase agreement.
- Payment of tuition, related educational fees, and room and board expenses for up to the next 12 months of post-secondary education for the participant, the participant's spouse, children, or dependent. Attach the tuition statement. (See the reverse for the definition of "dependent.")
- Payments necessary to prevent the eviction of the participant from his or her principal residence or to prevent foreclosure on the mortgage on that residence. Attach the eviction or the intent to foreclose notice.
- Payments for burial or funeral expenses for the participant's deceased parent, spouse, children, or dependents. Attach invoices. (See the reverse for the definition of "dependent.")
- Expenses for the repair of damage to the participant's principal residence that would qualify as a casualty deduction from the participant's federal income taxes under IRC Section 165, determined without regard to whether the loss exceeds 10% of adjusted gross income. Attach invoices.

SECTION III—Available Options

Can this hardship be completely **or** partially relieved through the following options:

Yes No

- Reimbursement or payment by insurance or other sources?
- The reasonable liquidation of assets, provided the liquidation would not itself cause an immediate heavy financial need?
- The cancellation of elective deferrals under the 401(k) Thrift Plan and/or 457 Deferred Compensation Plan?
- Loans, including loans available from my Savings Plus account? Attach loan denials from a commercial source.

If you answered "Yes" to any of the four questions above, you are **ineligible** for a hardship withdrawal until the option(s) for which you have answered "Yes" have been exhausted or until you can provide documentation that your hardship cannot be completely relieved through the source(s) indicated above.

SECTION IV—Request for Withdrawal

- I participated in the 401(k) Savings Plus Program Thrift Plan prior to July 1994.
- Do not** withhold federal taxes from my withdrawal. I will be liable for all federal taxes that may result from this withdrawal, including penalties if applicable.

I hereby request a withdrawal of my contributions from the State of California 401(k) Thrift Plan because of an immediate and heavy financial hardship; this withdrawal may include the dollar amount necessary to satisfy the anticipated taxes and penalties that are incurred as a result of the withdrawal. The dollar amount requested is limited to the amount documented to meet the immediate hardship. I request that \$ _____ (gross) be distributed from my account.

SECTION V—Participant Certification

I request a hardship withdrawal to be made in accordance with the Plan Document, *Internal Revenue Code*, and my election. I understand that the State of California has the authority to approve or reject this request. I understand that federal income tax of 10% will be deducted from the amount approved unless I otherwise specify. I hereby certify under penalty of perjury that this information is true and accurate to the best of my knowledge. I understand that if my request is approved, any 401(k) Thrift Plan and 457 Deferred Compensation Plan payroll deductions will be immediately canceled for a period of 6 months.

Signature

Date

Information

Your decisions regarding a hardship withdrawal will have financial consequences as well as income tax implications. Therefore, you may wish to obtain the advice of a tax advisor before you request a hardship withdrawal.

Do not complete this form if you have separated or retired from state service, or reached the age of eligibility and desire a distribution. Contact the Savings Plus Program to request a Benefit Payment Booklet.

The amount available for a hardship withdrawal is based on your contributions only. The *Internal Revenue Code* (IRC) Section 401(k) does not allow hardship withdrawals from accrued interest or earnings. If you have a Personal Choice Retirement Account (PCRA), it may be necessary to transfer your PCRA funds into your core funds to satisfy the amount of your hardship withdrawal request.

To meet the criteria for a 401(k) hardship withdrawal, you must first exhaust all other options. Refer to Section III.

You are prohibited for 6 months from contributing to any employee benefit plan maintained by the State of California. You will be responsible for all federal and state income tax and applicable penalties on the amount withdrawn. Federal taxes will be withheld at a rate of 10% unless you request otherwise by checking the box in Section IV. State taxes will not be withheld unless you request otherwise by completing a California Withholding Certificate for Pension or Annuity Payments (DE 4P). If you are younger than age 59½ or if this withdrawal is for anything other than medical expenses, you may be liable for an additional 10% federal tax penalty and an additional state tax penalty, if applicable. A 1099-R will be issued by January 31 of the following year for reporting purposes.

Once all necessary documentation has been received, your request will be reviewed and a decision will be rendered within 14 days. You will be notified in writing of the final decision.

Definition of Dependent

The definition of “dependent” is set forth in IRC Section 152 as either a “qualifying child” or a “qualifying relative.”

A *qualifying child* is someone who meets all the following criteria:

- Is a child or brother or sister (or stepbrother or stepsister) of the participant or a descendent of either
- Has the same principal place of residence as the participant for more than one-half the taxable year
- Has not yet turned age 19 (or is a student who has not yet turned age 24) as of the end of taxable year
- Has not provided more than one-half of his or her own support for the taxable year

A *qualifying relative* is someone who meets all the following criteria:

- Is a child (or a descendent), brother or sister (or stepbrother or stepsister), father or mother (or ancestor), stepmother or stepfather, niece or nephew, aunt or uncle, or in-law (father, mother, sister, brother, son, or daughter) of the participant *or* has the same principal place of residence as the participant (other than a spouse) and is a member of the participant’s household
- Has a gross income in the taxable year of \$3,200 (for 2005) or less
- Receives more than one-half his or her support in that taxable year from the participant
- Is not a “qualifying child” of any taxpayer in the taxable year

For purposes of a hardship application for education expenses or funeral expenses, a “dependent” is any person who meets the definition of *qualifying relative* irrespective of his or her gross income or irrespective of whether he or she is also a *qualifying child* of any taxpayer.

Instructions

SECTION I—Participant Information

Complete the information requested.

SECTION II—Reason for Hardship Withdrawal

Check all boxes that apply. Please submit copies of documents.

The purchase agreement must be signed by the buyer and the seller and include a closing date.

SECTION III—Available Options

Check yes or no in response to questions.

SECTION IV—Request for Withdrawal

Check the box(s) that are applicable to your request and fill in the gross amount you want to be distributed from your account.

SECTION V—Participant Certification

Read carefully, sign and date the form.

Mail the original form (do not fax) to:

Nationwide Retirement Solutions (PW-03-01)
P. O. Box 182797
Columbus OH 43218-2797

Contact Information

Voice Response System: (866) 566-4777, 24 hours a day, 7 days a week

Customer Service: (866) 566-4777, 8:30 a.m.–4:00 p.m. (PT), Monday–Friday
To speak with a customer service representative, press *0.

Office: 8:00 a.m.–5:00 p.m. (PT), Monday–Friday

Web site: www.sppforu.com

401k Hardship Checklist

DID YOU ATTACH PROPER DOCUMENTATION?

After completing the **401(k) Hardship Withdrawal Form**, please use this checklist to ensure that the required documentation is being submitted. All documentation will be reviewed and does not guarantee approval of your request. In some cases, additional documentation may be requested.

Reason	Required Documentation
Medical/Dental Expenses	<input type="checkbox"/> Loan denial letter from a commercial source. Credit card and lines-of-credit denials are not acceptable. <input type="checkbox"/> Copies of medical bills for services which show the portion covered by insurance, and/or the explanation of benefits from the insurance carrier. <input type="checkbox"/> If the bill is for a spouse or dependent, copies of tax documentation or marriage certificate proving their relationship to you. <input type="checkbox"/> If NO portion was covered by insurance, a letterhead from insurance company explaining that the procedure was not covered. <input type="checkbox"/> If you do not have insurance coverage you must provide proof, such as documentation from your employer showing no election for insurance coverage.
Home Purchase	<input type="checkbox"/> Loan denial letter from a commercial source. Credit card and lines-of-credit denials are not acceptable. <input type="checkbox"/> Copy of purchase agreement containing buyer's and seller's signatures, and the balance of the purchase price.
Post-Secondary Education	<input type="checkbox"/> Loan denial letter from a commercial source. Credit card and lines-of-credit denials are not acceptable. <input type="checkbox"/> Tuition statement or school invoice on letterhead from the institution showing the student's name and amount owed. The statement must pertain to the current quarter/semester in which the student is enrolled and/or up to 12 months into the future. You will NOT be approved and reimbursed for past schooling. <input type="checkbox"/> If the student is a spouse or dependent, copies of tax documentation or marriage certificate proving their relationship to you.
Foreclosure/Eviction	<input type="checkbox"/> Loan denial letter from a commercial source. Credit card and lines-of-credit denials are not acceptable. <input type="checkbox"/> Notice of foreclosure or eviction on letterhead stating the date of impending foreclosure/eviction and the dollar amount needed to prevent such action. Foreclosures can be for a primary residence only. <input type="checkbox"/> If you rent from a private landlord as opposed to a rental company, a copy of your original lease agreement. <input type="checkbox"/> If the foreclosure or eviction notice is in your spouse's name, copies of tax documentation or marriage certificate proving their relationship to you.
Funeral Expenses	<input type="checkbox"/> Loan denial letter from a commercial source. Credit card and lines-of-credit denials are not acceptable. <input type="checkbox"/> Copies of bills/invoices in your name. <input type="checkbox"/> Proof of relationship to the deceased.
Home Repair	<input type="checkbox"/> Loan denial letter from a commercial source. Credit card and lines-of-credit denials are not acceptable. <input type="checkbox"/> Copy of estimate. <input type="checkbox"/> If repairs are not covered by insurance, letter of denial of coverage from the insurance company.

PLEASE ATTACH YOUR REQUIRED DOCUMENTATION TO THE SAVINGS PLUS PROGRAM 401(k) THRIFT PLAN HARDSHIP WITHDRAWAL FORM AND MAIL TO THE ADDRESS INDICATED ON THE BACK OF THE FORM.