

SUPPLEMENTAL RETIREMENT PLAN HARDSHIP WITHDRAWAL POLICY

In cases of extreme need, employees may be permitted to access some or all of their **supplemental** retirement accumulation before reaching ages 59_.

The employees' own elective deferrals, i.e., voluntary contributions, and any earnings credited before 1989 may be withdrawn for hardship. Only elective deferrals credited on or after January 1, 1989 may be withdrawn for hardship -- earnings cannot be withdrawn. Hardship withdrawals made before the employee attains age 59_ will be subject to ordinary income taxes and a 10 percent early-withdrawal penalty.

A withdrawal qualifies as a hardship distribution under the federal rules if it meets two conditions. First, the participant must have an immediate and heavy financial need. Second, the withdrawal must be necessary to satisfy the need.

Once the financial need is deemed immediate and heavy, the employee must still satisfy the second criteria by establishing that the withdrawal is necessary to satisfy the need. A hardship withdrawal distribution can not exceed the amount of the need.

To request a hardship withdrawal from the supplemental retirement plan, an employer should contact his/her retirement vendor for the appropriate vendor forms and submit a completed Hardship Withdrawal Request form (available in Human Resources or on the web, <http://www.stedwards.edu/humr/forms.htm>) to the Director of Human Resources.

HARDSHIP WITHDRAWAL REQUEST

I am requesting a hardship withdrawal of \$_____ from my supplemental retirement plan with _____ (name of retirement carrier) for the reason indicated below:

- Medical expenses for the employee, spouse, and dependents in excess of 7.5 percent of adjusted gross income
- The purchase of the employee's principal residence, not including mortgage payments
- Payment of post-secondary education tuition and related educational fees and room and board expenses for the next 12 months for the employee, spouse, children, or dependents
- Preventing foreclosure on or eviction from the employee's principal residence
- Other, Please explain in detail on reverse side, as reasons not described in the law must be compelling.

My signature below certifies that my financial need is immediate and heavy and that I can not relieve this need by insurance, reasonable liquidation of my personal assets, cessation of elective deferrals to the plan, borrowing money from the plan or by taking a commercial loan. I also certify that I am requesting no more than the amount required to satisfy this need.

Employee name (please print) Employee signature Date signed

Witness name (please print) Witness signature Date signed

APPROVED NOT APPROVED _____

Haven Street-Allen, SPHR
Director of Human Resources
St. Edward's University, Inc.

Date signed