

# :::MassMutual

MassMutual RetireSMART<sup>SM</sup> Plan Information  
[www.retiresmart.com](http://www.retiresmart.com) or 1-800-743-5274

12/27/2018

Local 138, 138A, 138B & 138C, International  
Union of Operating  
Engineers Annuity Fund  
c/o MassMutual  
P.O. Box 219062  
Kansas City, MO 64121-9062

Dear Participant:

RE: Request for Hardship Distribution under the Plan ("Request for Distribution")  
61985-1-1 Local 138, 138A, 138B & 138C, International Union of Operating Engineers, AFL-CIO Annuity Plan

MassMutual has received your request for a hardship distribution from your retirement account. Please complete the enclosed Application for Hardship Withdrawal (including the Spousal Consent section if applicable), provide supporting documentation for your request as outlined in the attached Appendix IV, and return it to:

MassMutual  
PO Box 219062  
Kansas City MO 64121-9062

For Overnight Mail:

MassMutual  
430 W 7th St  
Kansas City MO 64105

To expedite your request, please fax documentation to (816) 701-3923.

In applying for a hardship distribution, there are a few things to keep in mind:

- If required at the time your hardship request is processed and your hardship request is approved, your plan account may be suspended from salary deferrals for a period of up to six months following the withdrawal.
- In order to receive a hardship distribution, you must provide documentation to support the reason for your need. A list of the appropriate forms of documentation is included with the Application for Hardship Withdrawal. If the supportable documentation that is provided is less than the amount requested, the amount of the distribution will be processed based on the approved documentation.



## APPLICATION FOR HARDSHIP WITHDRAWAL – FACTS & CIRCUMSTANCES

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### To be Completed by the Participant:

Account Number 61985-1-1

Participant's Name \_\_\_\_\_  
first middle last

Social Security No. \_\_\_\_\_

Address \_\_\_\_\_  
street  
\_\_\_\_\_ city state zip

Legal State of Residence \_\_\_\_\_

If the Legal State of Residence is not provided, MassMutual will use the state provided in the Mailing Address for state tax purposes.

Marital Status:  Married  Not Married or Legally Separated

If there is a question about my request, I prefer to be contacted by:

E-mail Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Must check all that apply	Reason	Documentation Required
<input type="checkbox"/>	Expenses for Medical Care for myself, my spouse, my children, my other dependent(s), or my primary beneficiary.  If the person that received the services (you, your spouse, your other dependent or primary beneficiary) does not have health insurance, please check the following box. <input type="checkbox"/>	<ul style="list-style-type: none"> <li>• Bill with amount due, dated within last 60 days</li> <li>• Explanation of Benefits, if bill does not show the list of services rendered and insurance payments applied</li> <li>• Treatment plan that states pre-payment is required along with the procedure(s) to be performed, cost of procedure and the amount to be covered by insurance. If no insurance then it must be stated there is no insurance coverage.</li> </ul>
<input type="checkbox"/>	Purchase of My Principal Residence (excluding mortgage payments).	<ul style="list-style-type: none"> <li>• Closing Cost Sheet, Loan Estimate or Itemized Fee Statement dated within last 60 days with the property address of new property being purchased, if no mortgage a Sales Contract or Purchase and Sales Agreement</li> <li>• If purchasing land for construction of principal residence, an executed contract between seller and buyer, dated within last 60 days, copy of construction loan, and commitment letter from bank or mortgage lender</li> <li>• If building principal residence, an executed service contract between seller and buyer, dated within last 60 days, with an estimated completion date.</li> </ul>

Must check all that apply	Reason	Documentation Required
<input type="checkbox"/>	<b>Prevention of Eviction from or Foreclosure</b> of my principal residence. I certify that I am currently living at the address stated in the submitted hardship documentation.	<ul style="list-style-type: none"> <li>• Notice from Landlord/Mortgage company dated within the last 60 days indicating the property location, future eviction/foreclosure date and the amount due required to avoid eviction/foreclosure</li> <li>• If eviction notice is issued by an individual, also send a copy of the current lease agreement. If no lease agreement, the notice must include the rental terms - rent amount and that the rent is paid month to month.</li> </ul>
<input type="checkbox"/>	<b>Tuition and Related Education Fees</b> including room and board expenses, for the next 12 months for post-secondary education for myself, my spouse, my children, my other dependent(s) or my primary beneficiary.	<ul style="list-style-type: none"> <li>• Bill dated within last 60 days with the students name, amount due, charges/credits, the school term charges are for and the school's name or letterhead indicated on the bill</li> <li>• If funds for books are being requested we need a "voided" receipt or shopping cart print out showing the cost of books.</li> </ul> <p>Note: We cannot reimburse for purchases already made.</p>
<input type="checkbox"/>	<b>Expenses for the Repair of Damage</b> on my principal residence that would qualify for the casualty deduction under §IRC 165.	<ul style="list-style-type: none"> <li>• Estimate of cost to repair damages due to casualty losses arising from a federal disaster from contractor, and a statement from insurance company indicating coverage or denial letter. If no homeowners insurance, the estimate must state exact cause of damage and that no insurance money will be accepted toward payment.</li> </ul>
<input type="checkbox"/>	<b>Payment for Burial or Funeral Expenses</b> for my deceased parent, spouse, children, dependents or primary beneficiary.	<ul style="list-style-type: none"> <li>• An itemized/detailed bill from a funeral home, mortuary, crematorium and/or religious establishment dated within last 60 days with the amount due.</li> </ul>
<input type="checkbox"/>	<b>Additional Hardship Events (Plan Sponsor Elects) - Tuition and Related Education Fees</b> including room and board expenses, for the next 12 months for non-secondary educational institution or a school for physically Handicapped or emotionally disturbed children (or grandchild claimed as a dependent on a Participants income tax return)	<ul style="list-style-type: none"> <li>• Bill dated within last 60 days with the students name, amount due, charges/credits, the school term charges are for and the school's name or letterhead indicated on the bill!</li> <li>• For Related Educational Fees-these will be determined, reviewed and approved by the Plan Sponsor.</li> </ul>

I request a withdrawal due to hardship in the following amount and I certify that the hardship in the amount below is for the above reason(s):

- Gross Amount:** Withdraw \$\_\_\_\_\_ from my vested account balance. I understand that any income tax withholding will be deducted from this amount.
- Net Amount:** Withdraw \$\_\_\_\_\_ from my vested account balance plus withdraw any income tax withholding.

I understand that:

1. My distribution will be limited to the amount available or the amount that can be approved based on the documentation provided, and
2. If I do not elect a Gross or Net amount, I will receive the distribution as a Net amount, and
3. If I do not specify an amount above, the distribution will be processed for the lesser of the approved amount or the amount available.

## INCOME TAX WITHHOLDING

You may elect to have federal and state taxes withheld from your hardship distribution. The taxable portion of your hardship distribution is subject to 10% federal income tax withholding unless you elect to opt out of federal tax withholding or to increase the federal; and to state income withholding to the extent provided by your state of residence. The amount by which your hardship distribution may be increased to account for these income taxes on the hardship distribution under the MassMutual Hardship Approval Services Program is limited to the amount of federal and state income taxes (including tax penalties) that would apply as a result of the hardship distribution (unless you are able to demonstrate a need to have a higher amount withdrawn).

To elect federal tax withholding in excess of 30%, you must provide evidence that the hardship distribution will be subject to a higher marginal tax rate; such as the first two pages of your last filed 1040 tax return or most recent W-2(s). To avoid delays in distributing the funds to help you to satisfy your hardship need, if you elect to withhold federal taxes of more than 30% without providing the necessary documentation when submitting your request, MassMutual will process your hardship request with federal withholding of 30%.

**FEDERAL INCOME TAX WITHHOLDING (Participant completes)**

Distributions of pre-tax contributions plus earnings on all contributions are subject to federal income tax. Hardship withdrawals are not eligible to be rolled over, and you have the option whether or not to have federal income tax withheld. If you elect to have withholding, 10% will automatically be withheld for federal income tax.

I elect to have federal income tax:  withheld  not withheld.

In addition to this federal income tax withholding, I want an additional amount withheld of \$\_\_\_\_\_.

**Contact your tax advisor or the IRS if you have any questions concerning tax withholding.**

**STATE INCOME TAX WITHHOLDING (Participant completes)**

**You may skip this Section if you reside in a state with no income tax or withholding requirement on retirement income.**

The taxable portion of your payment may be subject to state income tax withholding requirements. While MassMutual will withhold based on your state's income tax rules and your election, if applicable, you are responsible for ensuring you satisfy your individual state income tax liability. If you make an election that is not in compliance with your state's income tax withholding rules, then MassMutual will default to your state's income tax withholding requirements.

State Income Tax Withholding rules are subject to change at any time. For current state specific tax information pertaining to your resident state, you should contact your tax advisor or your state income tax department. Also note, state tax rules may apply differently depending on your type of distribution (i.e., lump sum, periodic, non-periodic, etc.). In addition, some states allow for an exclusion from income distributions from certain retirement plans - to confirm whether you may qualify to exclude all or a portion of your distribution from income for state taxation purposes, you should consult your plan sponsor or state income tax department.

If your state's income taxes are determined based on wage tables, MassMutual is unable to calculate a net amount, you will need to ensure that you have grossed up accordingly. Your request may be delayed if a net amount is requested.

If you do not see your state listed below, it is a result of your state not permitting state income tax withholding.

Any tax information included in this written or electronic communication was not intended or written to be used, and it cannot be used by the taxpayer, for the purpose of avoiding any penalties that may be imposed on the taxpayer by any governmental taxing authority or agency.

**Your state income tax withholding options are:**

AR, DE, IA, KS, MD, MA, NC, NE, OK, VT, VA	These states require mandatory state income tax withholding on taxable distributions. MassMutual is required to withhold state income taxes based on state law. You may not elect out of state income tax withholding.  Given this withdrawal request is not eligible to be rolled over, if you choose to opt out of federal income tax withholding, MassMutual will automatically opt you out of state income tax withholding unless you indicate below to withdraw taxes. If you did not opt out of federal income tax withholding, then MassMutual will withhold based on state law.  <input type="checkbox"/> I elect to withhold an amount of \$_____ (whole dollar amount) or ____%
CA, ME, OR, DC	These states require mandatory state income tax withholding. MassMutual is required to withhold state income taxes based on state law unless you elect out of withholding. <input type="checkbox"/> I elect no state income tax withholding.  Note: The District of Columbia only requires mandatory withholding on a "lump sum" distribution that brings your account balance to zero. If you are requesting a "lump sum" distribution, then you may not opt out of withholding.

AL, AZ, CO, ID, IL, IN, KY, LA, MO, MS, MT, NJ, NM, NY, ND, OH, PA, RI, WV, WI	<p>These states permit voluntary state income tax withholding. You may voluntarily elect state income tax withholding by providing a dollar amount or percentage below. If no election is made for these voluntary states identified, then MassMutual will not apply any withholding.</p> <p><input type="checkbox"/> I voluntarily elect to withhold an amount of \$ _____ (whole dollar amount) or _____%.</p> <p>Note:</p> <p><b>IL</b> only permits voluntary state income tax withholding on periodic payments. Lump sum distributions do not allow for state income tax withholding. If a tax election is requested on a lump sum distribution, MassMutual will not apply any withholding.</p> <p><b>AZ</b> only permits voluntary state income tax withholding on periodic payments where you may only elect one of the following percentages 0.8%, 1.3%, 1.8%, 2.7%, 3.6%, 4.2%, 5.1%. If any other percentage or dollar amount is requested above, MassMutual will not withhold. If a tax election is requested on a lump sum distribution, MassMutual will not apply any withholding. If additional amount is requested for periodic payments, please complete section below.</p>
GA, MN, SC, UT	<p>These states permit voluntary state income tax withholding. You may voluntarily elect state income tax withholding by selecting the box below. If no election is made for these voluntary states identified, then MassMutual will not apply any withholding. Please note only Gross Distribution requests are permitted when applying state income tax withholding.</p> <p><input type="checkbox"/> Withhold based on my state's tax table formula, if applicable (MassMutual will apply the default tax allowance.)</p>
CT, MI	<p>These states require mandatory state income tax withholding. MassMutual is required to withhold state income taxes based on state law unless you provide an alternate dollar amount or percentage withholding instruction below, along with completing your state specific W-4P withholding certificate and submitting it with this form. If a W-4P is not provided, MassMutual will default to your state's mandatory max withholding amount.</p> <p><input type="checkbox"/> I elect to withhold an amount of \$ _____ (whole dollar amount) or _____%</p>
Additional State Income Tax Withholding	<p>I elect to have an additional _____% or \$ _____ (whole dollar amount) if state income tax withheld from my payments.</p>

Note: The MassMutual Hardship Approval Program limits the amount that you may increase your hardship withdrawal for State income taxes that are due on the hardship withdrawal to the amount of your State's personal income tax rate (unless you are able to demonstrate a need to have a higher amount withdrawn).

## DELIVERY INSTRUCTIONS (complete if applicable)

- Direct deposit to a bank account of which I am an authorized account holder - Deposited within 3 business days from date of processing.**

If the direct deposit fails via overnight the check

This option is NOT available for Rollovers.

To elect Direct Deposit, you must select either Checking or Savings and you must provide a voided check or a bank specification sheet from your bank for validation.

*To help protect our customers' assets, MassMutual may independently validate bank and customer account information before processing Direct Deposit/EFT. If we are unable to independently validate the bank and customer account information or sufficient documentation to support the Direct Deposit/EFT is not provided, we will mail a check to the address of record. It should be noted that we are not always able to independently validate credit unions or smaller banks. If the account cannot be validated, a check will be mailed even if a voided check or financial instrument is submitted with distribution request.*

- Checking     Savings

Bank Name

Bank ABA/Routing (9 digits)

Bank Account No.

Please note that we can only send funds via direct deposit to banks with a valid U.S. routing number.

I understand that if I do not fully complete this section or the bank account information I have provided is invalid, a check will be mailed. I understand that a reprocessing fee may be charged to my account if the direct deposit is declined by my financial institution. Subsequent withdrawals will be processed in the same manner (up to 180 days from the date of the original distribution) unless I notify MassMutual in writing to distribute the money differently. I also authorize MassMutual to initiate a debit to my account for any overpayment or payments made in error.

**Send my payment by check - Allow up to 10 business days for postal service delivery.**

Your cash payment will be mailed to the address contained in our files.

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## SPOUSAL CONSENT

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I am the spouse of the Participant. I hereby consent to the Distribution requested by the Participant as described above. I understand that I am not obligated to consent to this distribution and that this distribution may reduce the amount of any benefit I may be entitled to from the plan. I understand that my consent to the distribution is irrevocable and that I may obtain additional information about the potential impact on my benefit from the plan administrator prior to providing this consent.

\_\_\_\_\_  
Spouse's Signature

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public Signature

\_\_\_\_\_  
Date Commission Expires

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

*or*

\_\_\_\_\_  
If Not Notarized - Plan Administrator Signature

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

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## SIGNATURE

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To receive the hardship withdrawal requested above, I certify that the following requirements have been or will be satisfied:

1. The withdrawal amount requested will not be in excess of the amount of the financial need.
2. I previously have obtained all distributions from this Plan and all other plans maintained by my employer that are reasonably available to me.
3. If my plan requires it at the time my hardship request is processed, I understand that, if my hardship withdrawal request is approved, my account may be suspended from salary deferrals for a period of up to six months following the withdrawal and Failure to produce the substantiating documentation will mean denial of my hardship request. (For a list of approved forms of documentation, please see the "Permissible Hardship Expenses and Supporting Documentation" included with this application.)

I understand there may be a charge deducted from my account for each distribution processed for the hardship review service, whether my request is approved or not. If all required items are not completed on this form along with proper supporting documentation, payment will be delayed. For more information about fees, visit the retirement web portal at [www.RetireSmart.com](http://www.RetireSmart.com). Select the Current Retirement Statement at the top of the Statements/Required Disclosures page. If electing direct deposit, by signing below I certify that I am an account holder on the bank account listed above.

By signing this form, I certify that the information I have provided is accurate, to the best of my knowledge. I also certify that I have read and understand the Explanation of Hardship and Supporting Documentation document. I also certify that I have obtained, and will provide upon request by MassMutual, the documentation necessary to support my hardship withdrawal request, including spousal consent if I am married.

\_\_\_\_\_  
Participant Signature

\_\_\_\_\_  
Date

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Please return this form to: **MassMutual**

PO Box 219062  
Kansas City MO 64121-9062  
OR

For Overnight Mail: MassMutual  
430 W 7th St  
Kansas City MO 64105  
OR

Fax to: (816) 701-3923, Attn: RS CSO Processing  
OR

Email to: RSapprovals@MassMutual.com

Please allow 5 business days for review from the date of receipt.

## Explanation of Hardship and Supporting Documentation

### Definition of “Dependent” as defined by Sections 152 (c) & 152(d) of the Internal Revenue Code shall mean with respect to a participant:

**A qualifying child:** An individual who (i) is a child of the participant (or a descendent of such a child), a brother, sister, half-brother, half-sister, stepbrother, or stepsister of the participant or any such descendent of any such relative; (ii) who has not attained age 19 as of the close of the calendar year in which the taxable year of the participant (taxpayer) begins or is a student who has not attained age 24 as of the close of such calendar year; (iii) who has lived with the participant for more than half of the year; (iv) who has not provided more than half of his or her own support; and (v) who is not filing a joint return for the year with a spouse (other than only for a claim for refund). The age requirement in (ii) shall be treated as met in the case of a dependent who is permanently and totally disabled at any time during such calendar year.

**A qualifying relative:** An individual (i) who is (A) a child, stepchild, foster child (or a descendant of a child), brother, sister, half-brother, half-sister, stepbrother, stepsister, father, mother (or ancestor of father or mother), stepfather, stepmother, son or daughter of a brother or sister of the participant, brother or sister of the father or mother of the taxpayer, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, sister-in-law, or any of the above (without regard to whether each individual lived with the participant for more than half the year); or (B) an individual other than a relative mentioned in (A) above, who, for the taxable year of the participant, has the same principal place of the abode as the participant and is a member of the participant’s household; (ii) with respect to whom the taxpayer provides over one-half of the individual’s support for the calendar year taxable year begins; and (iii) who is not a qualifying child of such participant or of any other taxpayer for any taxable year beginning in the calendar year in which such taxable year begins.

### ***I. Medical Care***

A. You may receive a hardship distribution for amounts not covered by insurance for the following medical care expenses permitted under section 213(d) of the Internal Revenue Code:

- Operations/treatment affecting any part of the body (not for surgery solely for cosmetic reasons)
- Obstetrical expenses
- In vitro fertilization
- Vasectomy
- Therapy
- X-ray treatments
- Hospital services
- Nursing services
- Medical services
- Laboratory services
- Surgical services
- Laparoscopic surgery (if deemed medically necessary by a doctor)
- Dental services



- Diagnostic services
- Gastric by-pass surgery (if medically necessary as evidenced by a doctor)
- Healing services
- Prescribed drugs. Forecasting is allowed based on quantity of specified refills, up to six months. Cost of medication and number of refills must be provided.
- Artificial teeth
- Artificial limbs
- Ambulance hire
- Lodging (while away from home primarily for and essential to medical care, limited to \$50 per night)
- Transportation for and essential to receipt of medical care
- Hearing aids (cost of hearing aid and batteries to operate device). Forecasting is allowed, for a six month period, in cases where the device is being rented.
- Reconstructive surgery as a result of mastectomy
- Breast reduction (if deemed medically necessary by a doctor)
- Eyeglasses
- Laser eye surgery
- Seeing eye dog
- Wheelchair
- Crutches
- Inclinator
- Capital expenditures, operation and maintenance for permanent improvement or betterment of the property advised by a physician (example, an elevator for an afflicted individual), limited to the difference between the increase in property value due to the improvement and the cost of installing the improvement.
- Qualified long-term care services defined as: necessary diagnostic, preventative, therapeutic, curing, treating, mitigating, and rehabilitative services, and maintenance or personal care services, that are required by a chronically ill person as certified by a healthcare practitioner. An individual is “chronically ill” if he/she is as unable to perform at least 2 activities of daily living (e.g., eating, toileting, transferring, bathing, dressing, and continence); or requires substantial supervision to protect the individual’s health and safety due to severe cognitive impairment as indicated in writing by a health care professional stating that it is necessary for long term care.
- Costs (tuition, meals and lodging) of attending a school that furnishes special education to help a child to overcome learning disabilities caused by mental or physical impairments. A doctor must recommend that the child attend the school. Overcoming the learning disability must be a principal reason for attending the school, and any ordinary education received must be incidental to the special education provided. Special education includes but is not necessarily limited to:
  - Teaching Braille to a visually impaired person,
  - Teaching lip reading to a hearing-impaired person, or
  - Giving remedial language training to correct a condition caused by a birth defect.
- Medical insurance premiums
- Premium payments under a qualified long-term care insurance contract. Note that the payment of qualified long-term care premiums is limited to the following amounts:

Age before the Close of the Taxable Year	The limitation is:
40 or less	\$340
More than 40 but not more than 50	\$640
More than 50 but not more than 60	\$1,270
More than 60 but not more than 70	\$3,390
More than 70	\$4,240

Note: Each of the above dollar amounts may be increased by the medical care cost adjustment (as prescribed by the Treasury Secretary) each calendar year. Any increase that is not a multiple of 10, shall be rounded to the nearest multiple of 10.

B. You cannot receive a hardship distribution for the following Medical Care expenses:

- Babysitting, childcare and nursing services for a normal, healthy baby
- Contributions to, or expenses that would be covered by, your flexible spending account or health savings account or medical savings account
- Controlled substances (such as marijuana, laetrile, etc.)
- Cosmetic surgery (amount you pay for unnecessary surgery)
- Dancing lessons
- Diaper service
- Electrolysis or hair removal
- Funeral expenses (cannot include in medical expenses amounts you pay for funerals)
- Future medical care (to be provided substantially beyond the end of the year)
- Hair transplant
- Health club dues
- Health coverage tax credit
- Household help (not including nursing-type services)
- Illegal operations and treatments
- Insurance policies providing indemnity against loss of income or for loss of life, limb, sight
- Maternity clothes
- Medicines and drugs from other countries
- Nonprescription drugs and medicines (except insulin)
- Nutritional supplements
- Personal use items (toiletries, cosmetics, or sundry items)
- Swimming lessons
- Teeth whitening
- Veterinary fees
- Weight-loss program

*Please see Internal Revenue Service Publication 502 for additional details regarding what will, and what will not, constitute a medical expense that is eligible to be covered by a hardship distribution.*

C. If you request a hardship distribution for medical expenses, you must have documentation to support your request. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. The following documentation is acceptable:

1. Some Medical Care expenses are paid for by the insurance company. Others are not. For the portion of those Medical Care expenses that the insurance company will not pay (unreimbursed qualifying Medical Care expenses):

- Current bill for service, and
- Explanation of Benefits\* for each bill submitted indicating:
  - Service rendered that qualifies as a Medical Care expense;
  - Date of such service;
  - Amount of coverage paid; and
  - Amount currently owed.
  - If you cannot produce an Explanation of Benefits, you must obtain a copy from the insurance company. If the company cannot provide a copy, you may submit a copy of the medical history with respect to the service rendered, including any amount paid by the insurance company.

\*If the Bill for service outlines the services rendered, you do not need to provide the Explanation of Benefits documentation.

2. Some Medical Care expenses will not be covered at all by the insurance company. For qualifying Medical Care expenses for treatment not covered by the insurance policy:

- A current bill for service that lists the information noted in item #1 above;
- Explanation of Benefits evidencing a denial of coverage; or
- A letter from the insurance company stating that no Explanation of Benefits is available.

3. If prepayment of certain Medical Care expenses is required on or before the time of treatment:

- Estimate of the cost for the procedure from the insurance company and/or medical professional
- Letter from the medical professional stating that payment is required either in advance or at the time of the procedure

An example of this would be were a dentist requires pre-payment for a treatment plan.

Generally, you cannot include in medical expenses current payments for medical care (including medical insurance) to be provided substantially beyond the end of the year. This rule does not apply in situations where the future care is purchased in connection with obtaining lifetime care or long-term care.

4. If Medical Care expenses will be paid in installments:

- Explanation of Benefits evidencing the service rendered and that the lifetime maximum permitted by the insurance company has been reached for the applicable medical expense
- A current bill showing the remaining amount to be paid. If the current bill does not show the details of the specific service provided, please also provide the original bill that provides that information.

D. Examples:

**Past-due medical expenses:** Past-due medical expenses may be eligible for hardship treatment if the participant can produce bills for service dating back from the original date of services to the current date that the participant is requesting the hardship. For example, a participant incurs eligible medical care expenses on January 1<sup>st</sup> and has been unable to pay them. On April 1<sup>st</sup>, the participant requests a hardship distribution to pay the medical expenses. The participant will be required to produce documentation indicating that the services were rendered and the amount is past due. Past due medical expenses without proof that they are still owed will not be considered an immediate and heavy financial need.

**Important note:** A bill shall be considered current if issued within 60 days from the date of the hardship request.

**Medical Credit Cards:** Amounts owed on medical credit cards used to pay eligible medical expenses are eligible for a hardship distribution. The amount of hardship shall be limited to the amount necessary to satisfy payment of the eligible medical expenses charged to the credit card.

Note: An Explanation of Benefits must be provided along with a copy of the medical credit card bill.

**Other Credit Cards:** Balances for eligible medical expenses charged to all other credits cards shall NOT be eligible for a hardship distribution.

## ***II. Purchase of a Principal Residence***

A. Principal Residence includes:

- Principal Residence
- The purchase of land upon which the principal residence shall be immediately built
- Building a residence with a service contract
- Purchase of a housing cooperative or condominium

B. Principal Residence DOES NOT include:

- Vacation homes
- Rental properties
- Mortgage payments.

Note: The property may NOT be a rent-to-own residence or “lease with an option to buy” residence.

C. If you request a hardship distribution for the purchase of a principal residence, you must have documentation to support your request. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. Any one of the following types documentation is acceptable:

- **Itemized Fee Statement, Loan Estimate or Closing Cost Sheet:** Issued by a bank or mortgage company. The Itemized Fee Statement, Loan Estimate or Closing Cost Sheet must include the estimated total closing costs, any down payments, prepaid expenses and signature, excluding any contributions from the seller with the property address listed. The Itemized Fee Statement, Loan Estimate or Closing Cost Sheet cannot be issued by a realty company (unless the real estate agent is acting as the lender) and must be prepared and signed within 60 days of the request.

\*If the property is being financed by the owner or there will be not be any financing, an Itemized Fee Statement, Loan Estimate or Closing Cost Sheet is not required. A copy of the Sales Contract or Purchases and Sales Agreement will suffice.

- **Service Contract:** Must provide an estimated completion date; and it must be signed by you and the contractor.
- **Purchase of land:** For the construction of a principal residence, you must provide MassMutual with an executed Contract between you and the seller (which may include dates and amounts of periodic disbursements to the builder), a copy of the construction loan and a commitment letter from a bank or mortgage company.

D. Examples:

**Purchase of Land for Motor Home/Trailer:** The purchase of land for purposes of maintaining a motor home/trailer as the primary residence shall be eligible for a hardship distribution when accompanied by one of the applicable documents noted in Section C above.

**Rent-to-Own Arrangements:** Rental payments or “lease with an option to buy” payments applied towards home ownership shall NOT be considered hardship eligible. However, such payments may qualify for hardship if they are necessary to prevent eviction from principal residence.

**Building Ones Own Primary Residence:** Hardship distributions will NOT be eligible if you are building your own primary residence and are requesting a distribution to purchase materials/services without a service contract.

**Credit Card Expenses:** A hardship distribution will NOT be allowed for expenses that are charged to a credit card.

### **III. Payment of Tuition and Related Educational Fees**

A. You may receive a hardship distribution for the following fees and expenses:

- Tuition
- Related educational fees, including books
- Room and board expenses

A hardship distribution may be permitted to cover expenses related to the current semester or to cover past overdue balances from previous semesters (provided the balance is still outstanding and a current bill is provided). The above bulleted expenses may be forecasted out up to the next 12 months of post-secondary education.

B. The fees and expenses must be incurred by one of the following accredited institutions which must also require a high school diploma or recognized equivalent for admission:

- State-sponsored university
- State-sponsored college
- State-sponsored vocational school
- State-sponsored technical school
- Private university
- Private college
- Private vocational school (examples: tractor trailer, cosmetology, escalator technician)
- Private technical school

C. Tuition and related educational expenses shall not include:

- Non-academic-related expenses
- Courses designed to sell products (ex. real estate courses)
- Random courses that are not part of, or result in completion of, a program that provides a certification or degree.
- Educational loan payments or payoff

D. If you request a hardship distribution for tuition and related educational fees, you must have documentation to support your request. MassMutual may require that you produce this documentation at any time. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. The following documentation is acceptable:

For initial, ongoing enrollment and summer sessions:

- A current tuition bill listing the school name indicating:
  - Name of the student
  - Total amount currently outstanding (not just the cost of attending the school)
  - The semester or term the charges are for
  - Whether expenses for room and board are included in the hardship request
  
- The tuition bill may also be used to calculate anticipated financial need for the remainder of the academic year.

E. Examples:

**Off-campus Housing:** Off campus housing is eligible for a financial hardship, provided that the housing is affiliated with the educational institution the student is attending. A copy of the rental agreement or lease agreement is required with the student's name or a letter from the landlord stating the student will reside there. If there is more than one leasee it must specify how much each party is responsible to pay. Expenses outside of the lease agreement, such as internet, phone and cable service bills, are not reimbursable.

**Secondary Education Fees:** Preschool, elementary, middle or high school tuition and related educational expenses are not hardship eligible.

**Credit Card Expenses:** A hardship distribution will NOT be allowed for expenses that are charged to a credit card.

#### ***IV. Prevention of Eviction or Foreclosure***

- A. You may receive a hardship if the distribution is necessary for the following:
- To prevent eviction from the employee's principal residence
  - To prevent foreclosure on the mortgage on that residence.
  - The amount of the hardship may be in an amount sufficient to bring all payments current as of the date such funds are received.
- B. If you request a hardship distribution to prevent eviction or foreclosure, you must have documentation to support your request. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. The following documentation is acceptable:
1. Eviction from the principal residence:
    - Eviction notice issued by the landlord, apartment complex, court, or any other authorized entity which states the amount to be paid to prevent eviction and that such amount is past due.

If the eviction notice is issued by an individual rather than a rental organization, you must also supply MassMutual with a copy of the lease agreement and a signed statement from the landlord confirming the pending eviction. If there is no written lease agreement involved, a signed statement from the landlord

confirming the pending eviction will be required, and such statement must also specify the residential address of the property, the monthly rental amount and that there is no lease agreement.

2. Foreclosure on the principal residence:

- Notice of foreclosure (stating that proceedings have commenced or will commence either immediately or on a specified date), which must:
  - Be issued by a bank, mortgage company, or other qualified lending institution
  - State the amount due to bring the mortgage current, and
  - State that foreclosure proceedings will commence immediately if the amounts owed are not paid.

C. Examples:

**Eviction from Land:** Evicted from the lot upon which your trailer is located and the trailer is your primary residence.

**Timely Hardship Application:** The eviction or foreclosure notice must not be past the eviction/foreclosure date. The eviction deadline must allow time for review and processing – MassMutual requests that requests are submitted at least five business days before the eviction date on the notice.

**Cure of Foreclosure:** If foreclosure proceedings have begun, a letter from the mortgage company stating the amount that is required to cure the foreclosure shall be considered to be evidence of an immediate and heavy financial need. A hardship distribution will not be permitted beyond the amount necessary to cure the foreclosure.

If foreclosure or the immediate threat of foreclosure is due to non-payment of property taxes then a hardship distribution will be permitted if the required supporting documentation is provided.

Note: If the mortgage is not in the participant's name but the deed is and has the same address or if the mortgage and the deed are in the spouse's name and the address is the participant's address then a hardship distribution will be permitted if the required supporting documentation is provided.

**Credit Card Expenses:** A hardship distribution will NOT be allowed for expenses that are charged to a credit card.

## ***V. Burial and/or Funeral Expenses***

A. You may receive a hardship distribution for the following items:

- Purchase of grave
- Burial fees
- Monument fees (headstone)
- Crematory fees
- Casket
- Casket fittings
- Burial containers



- Urn
- Nameplates
- Memorial plaque
- Book of remembrance
- Memorial cards
- Church fees
- Press notices
- Cemetery fees
- Services for funeral director, staff and overhead
- Hearse and funeral vehicle rentals necessary to transport the deceased (does not include transportation of family members)
- Collection of the body and transference to hospital, funeral home/mortuary or other location
- Preparation of the body
- Embalming
- Memorial service
- Graveside service
- Funeral service

B. You cannot receive a hardship distribution for the following burial and/or funeral expenses:

- Reception
- Flowers
- Donations
- Pre-payment of a (future) funeral
- Transportation (other than the modes of transportation not included in Section A above).

C. If you request a hardship distribution for the payment of funeral or burial expenses, you must have documentation to support your request. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. The following documentation is acceptable:

- A current bill for burial and/or funeral expenses indicating:
  - Name of the funeral home, mortuary, crematorium, cemetery, monument company and/or religious establishment (church, synagogue, chapel or other place of worship)
  - Name of the parent, spouse, child or other dependent on whose behalf the services were furnished. If the decedent's name is not included in the bill for service, additionally, the participant must provide a death certificate indicating the decedent's name. Unless the person is a dependent (as described at the beginning of this document), the following relationships would not qualify for reimbursement: brother or sister in-law, mother or father in-law.
  - List of expenses incurred

D. Examples:

**Credit Card Expenses:** A hardship distribution will NOT be allowed to pay for burial or funeral expenses that are charged to a credit card.

## ***VI. Expenses for the Repair of Damage to the Employee's Principal Residence that would Qualify for the Casualty Deduction***

A. You may receive a hardship distribution to repair damage to your principal residence that arose from any of the following sudden, unexpected or unusual events:

- Electrical storms
- Tree damage (ex. Limb punctures roof)
- Earthquakes
- Fires
- Floods (such as riverbanks overflowing or floods that impact a community)
- Government-ordered demolition or relocation of a home that is unsafe to use because of a disaster
- Hail
- Landslides
- Mine cave-ins
- Shipwrecks
- Sonic booms
- Hurricanes and tornadoes
- Terrorist attacks
- Vandalism
- Volcanic eruptions
- Disasters occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government

Note: Your insurance deductible amount may qualify for a hardship.

This list contains examples of casualties that qualify for a hardship, but this list is not all-inclusive of every casualty that may be covered.

B. The following items do not qualify for hardship treatment:

Progressive deterioration:

- The steady weakening of a building due to normal wind and weather conditions;
- A burst water heater (however, the rust and water damage to rugs and drapes caused by the bursting of a water heater does qualify as a casualty)
- Losses caused by droughts
- Termite or moth damage
- The damage or destruction of trees, shrubs and other plants by a fungus, disease, insects, worms or similar pests

C. If you request a hardship distribution for the repair or construction of your principal residence due to damage caused by a qualifying casualty, you must have documentation to support your request. If you cannot produce the documentation to substantiate your hardship request, your application will be denied. The following documentation is acceptable:

1. For the payment of unreimbursed costs of qualifying casualties to repair a damaged principal residence:
  - Bill for services from the contractor. The contractor should state the cause of the casualty and provide a breakdown of the cost on the bill
  - Statement from the insurance carrier evidencing a denial of coverage\* of the cost of repairs
2. If you are required to prepay certain repairs/construction:
  - Estimate from the contractor. The contractor should state the cause of the casualty on the estimate.
  - Statement from the insurance carrier evidencing the coverage\* or the denial of coverage of the costs of repair
3. For the building of a principal residence destroyed by the casualty:
  - Executed contract between you and the contractor (which may include dates and amounts of periodic disbursements to the contractor). The contractor should state the cause of the casualty on the contract.
  - Statement from the insurance carrier evidencing the coverage or the denial of coverage\* of the cost of construction

\*Insurance claims that are denied because the insurance carrier has labeled the loss due to “normal wear and tear” or because it deems the loss to be the result of an incident outside the definition of casualty as defined in Section A. above will not qualify as a hardship.

**Credit Card Expenses:** A hardship distribution will NOT be allowed for expenses that are charged to a credit card.

**RS-07480-12**

Exp. 6/1/2021

- Please provide Marital Status. If married, complete Spousal Consent section on page 3 of the form. If divorced or legally separated, please provide legal documents to support your status.
- As part of your application process, you must certify that you previously have obtained all distributions from this Plan and all other plans maintained by your employer that are reasonably available to you.

If you have any questions regarding your application for a hardship distribution, please contact the Participant Information Center at (800) 743-5274, 8:00 AM EST to 8:00 PM EST. In addition, you can contact the Participant Information Center by email through the RetireSMART<sup>SM</sup> participant website. Log into RetireSMART<sup>SM</sup> and then, in the upper right corner, click on "Contact Us"; this will send an email directly to the Participant Information Center.

Sincerely,

MassMutual

RS-07478-01  
08/18/2008