

➔ What is an Unforeseeable Emergency Withdrawal?

The Program may permit a distribution to a participant faced with an unforeseeable emergency (UE). A UE is defined by the Program as a severe financial hardship of the participant or beneficiary resulting from a sudden and unexpected illness or accident of the participant or beneficiary, the participant’s or beneficiary’s spouse, or the participant’s or beneficiary’s dependent (as defined in section 152(a) of the Internal Revenue Code); loss of the participant’s or beneficiary’s property due to a casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant, which hardship cannot be relieved by reimbursement or compensation (by insurance or otherwise), liquidation of the participant’s assets (to the extent the liquidation would not itself cause severe financial hardship), or cessation of deferrals under the Plan. Except as provided above, an unforeseeable emergency under IRS Regulations applicable to this type of plan does not include money for college tuition or purchase of a home.

➔ What are some examples of qualifying emergencies and the documentation required?

Only events that occurred within the **last 24 months** may be considered as unforeseeable today. Some examples that may qualify for a UE withdrawal are:

Emergency	Documentation
Illness or accident of the participant or beneficiary, the participant’s or beneficiary’s spouse, or the participant’s or beneficiary’s legal dependent (someone you claim on your income tax return) resulting in: <ul style="list-style-type: none"> • a loss of income, and/or • unreimbursed medical expenses. 	<ul style="list-style-type: none"> • A letter from your payroll department confirming the exact time and wages lost due to medical reasons not covered by sick, vacation, disability, Workers’ Compensation, or other leave benefits. • Copies of insurance company “Explanation of Benefits” forms showing your expenses.
Foreclosure or eviction from a primary personal residence where you are presently living.	Current notice stating the amount needed to bring the mortgage or rent up-to-date.
Funeral expenses for qualifying legal dependents or extended family members.	A copy of the death certificate, itemized funeral bill, and proof of kinship.
Loss or damage of property due to casualty not covered by insurance.	Copy of the accident report, damage estimate, police report, and documentation from your insurance company as to your portion of the monetary loss.
See page 4 for a complete list of required documentation	

➔ What are some examples of non-qualifying emergencies?

Some examples that typically do not constitute a UE are:

- Purchase of a home
- School tuition
- Living expense (i.e. credit cards, loans, etc.)
- Payment of income or property taxes
- Purchase, maintenance, or most repairs of a car or major appliance
- Bankruptcy
- Child Support payments
- Transportation to/from work
- Cases in which the participant or beneficiary had significant control and failed to exercise prudent judgment as to the cause of the emergency (i.e., job suspension, violation of the law)

➡ Who may apply for a UE?

An actively employed participant may apply for a UE. Retired or terminated participants, beneficiaries, and alternate payees can start, stop, or change their withdrawals at any time and do not need to apply for withdrawals through this process.

➡ What is required to apply?

In addition to documentation regarding the specific circumstances for which a UE is requested, participants applying for a UE are required to submit:

- A completed and signed application.
- A copy of the most recent Federal Income Tax Return (1040, 1040EZ, or 1040A pages 1 & 2 only) for you and if married, your spouse. State tax forms are not needed.
- A copy of the most recent pay stub for you and if married, your spouse.
- Any supporting documentation. (See *Required Documentation* on page 4)

After reviewing the application, Program staff may ask participants to supply additional documentation to clarify or support their request.

➡ Should I continue or stop my deferrals?

If they have not done so already, participants and their spouses may choose to stop deferring into the Program when applying for a UE withdrawal. You might want to take some time to recover from the related circumstances and to replenish your regular savings by temporarily stopping your deferrals. If you stop your deferrals you can also indicate when you would like to begin deferring again. If so, please indicate the month and year to start your deferrals on page 6.

➡ Why am I asked for detailed financial information?

Federal regulations require the Program to confirm and document that there is a severe financial emergency. They also require confirmation that the expense is not otherwise covered or payable by other means including insurance, liquidation of assets, or borrowing. The Program uses the information supplied on the financial section of the application to confirm your situation. All information provided will be kept confidential.

➡ How much can I withdraw?

UE distributions must be limited to the amount reasonably necessary to satisfy the emergency need (plus an amount for Federal or State income taxes on the distribution).

➡ What is the process and how long does it take?

Upon receiving all necessary documentation, your file will be reviewed and a decision will typically be made within **ten business days** unless additional documentation is required. You will be notified of the decision in writing.

➡ How often are UE withdrawals processed?

UE withdrawals are generally processed at least once a week depending on holidays and/or other special events. Most withdrawals can be paid by direct deposit to your bank account.

➡ Is a UE withdrawal a taxable event?

Yes. Federal income tax will be withheld at the rate of 10%. State liabilities will be withheld at the rate of a single person with no withholding allowances. A 1099-R form will be issued at the end of the year for tax reporting purposes. Where possible, the approved amount will be increased to include the amount for withholding. There are no tax penalties for an approved withdrawal.

➡ What are the Federal regulations that cover UEs?

The rules applicable to distributions for unforeseeable emergencies are found in the Plan Document and Department of Treasury Internal Revenue Service Regulations 1.457-6(c) which states in part:

(c) *Rules applicable to distributions for unforeseeable emergencies*—(1) *In general*. An eligible plan may permit a distribution to a participant or beneficiary faced with an unforeseeable emergency. The distribution must satisfy the requirement of paragraph (c)(2) of this section.

(2) *Requirements*—(i) *Unforeseeable emergency defined*.—An unforeseeable emergency must be defined in the plan as a severe financial hardship of the participant or beneficiary resulting from an illness or accident of the participant or beneficiary, the participant's or beneficiary's spouse, or the participant's or beneficiary's dependent (as defined in section 152(a)); loss of the participant's or beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant or the beneficiary. For example, the imminent foreclosure of or eviction from the participant's or beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in section 152(a)) may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this paragraph (c)(2)(i), the purchase of a home and the payment of college tuition are not unforeseeable emergencies under this paragraph (c)(2)(i).

(ii) *Unforeseeable emergency distribution standard*.—Whether a participant or beneficiary is faced with an unforeseeable emergency permitting a distribution under this paragraph (c) is to be determined based on the relevant facts and circumstances of each case, but, in any case, a distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the plan.

(iii) *Distribution necessary to satisfy emergency need*.—Distributions because of an unforeseeable emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

➡ How do I appeal an unfavorable decision?

An unfavorable decision may be appealed by sending a written request that the decision be reviewed. If the review of the decision is upheld, a written appeal may be made to the Ohio Public Employees Deferred Compensation Board. The decision regarding what constitutes an unforeseeable emergency shall rest with the Board, is final, and shall not be subject to further appeal.

➡ Required Documentation

Required for all claims:

- A copy of the most recent Federal Income Tax Return (1040, 1040EZ, or 1040A pages 1 & 2 only) for you and if married, your spouse. State tax forms are not needed.
- A copy of the most recent paystub for you and if married, your spouse.
- If your spouse is self-employed, provide 1040, Schedule C (earnings history).
- Circumstances over 24 months can not be considered unforeseeable today.

Other documentation depending on emergency:

- If unreimbursed medical expenses for you, your beneficiary, your spouse, your beneficiary's spouse, or **legal dependents** (claimed as a dependent on Federal Income Tax Return) are involved, provide copies of insurance company "**Explanation of Benefits**" forms. These are the forms your insurance company sends after your claim has been completed and should state the service provided (e.g., office visit). You can also send copies of your insurance company "Predetermination of Benefits" forms. These are the forms your insurance company sends before medical treatment, indicating the amount for which you will be responsible. **Do not send copies of doctor and hospital bills or statements.**
- If you suffered lost wages because of illness or accident, include a letter from your PAYROLL DEPARTMENT confirming the EXACT time and wages lost, due to medical reasons, not covered by sick, vacation, disability, Workers' Compensation, or other leave benefits. Note that we can consider only actual lost wages of at least two weeks within a twelve-month period. If Workers' Compensation, Social Security/OPERS disability, or other such claims are pending, provide a copy and the status of each application, and/or appeal. Also provide a copy of each finalized award or denial.
- If an automobile accident, damage to your home, or theft of your property is the basis for your request, provide a copy of the POLICE REPORT (or similar documentation) and the ADJUSTMENT REPORT from your insurance company as to YOUR portion (deductible) of the monetary loss.
- If a divorce or separation is involved, include a copy of your final divorce decree, separation agreement, and a detailed invoice for legal expenses associated with your divorce. The detailed invoice should indicate the dates, charges, and types of actual services provided. If your attorney has charged you a flat rate fee for services rendered, you may submit a copy of the flat rate agreement.
- If funeral costs for a spouse, legal dependent, parent/guardian, child/ward, or extended family member contributed to your financial hardship, provide a death certificate, itemized funeral bill, and proof of kinship.
- If foreclosure of or eviction from a primary personal residence (where you are presently living) is the basis of your request, provide a current notice (within the last 60 days) from your lender or landlord stating the amount needed to bring the mortgage or rent up-to-date (i.e., actual monthly statement, default letter, eviction notice).
- Other documentation may be required depending on the nature of the emergency.

➡ Submitting the application

The application is designed to provide information on the nature and severity of your unforeseeable emergency, and to determine if you have other appropriate financial sources that could relieve your hardship. Without this information, the Program can not consider your request. **Please fill out the application completely.** All applications remain active for six months. Any additional unforeseeable emergency requests beyond the six-month period require a new application. Return the completed application to:

Ohio Deferred Compensation
257 E Town St, Ste 457
Columbus, OH 43215-4626

If you have any questions regarding this process, please call the Service Center at 1-877-644-6457.

Participant Information

Print Name of Participant		Social Security Number-Last 4 Digits Only XXX-XX-____
Address		Work Phone Number
City, State, Zip		Home Phone Number
Employer Name	Email Address	

Withdrawal Amount Requested

Withdrawals due to an unforeseeable emergency may not exceed any amount necessary to satisfy the need after reimbursed by insurance or other sources. Attach documentation to support your requested amount.

Please specify whether this is a request for a full or partial withdrawal. If you select a partial withdrawal, you must write in the dollar amount you wish to receive.

- Total account withdrawal.
- Partial account withdrawal – amount requested \$_____.

Deferrals to Ohio Deferred Compensation

Do you want to stop your payroll deferrals to Ohio DC? Yes No

If you only want to stop your deferrals temporarily, when would you like to begin deferring again?

Month Year

Deferrals will be restarted at the same amount and into the same investment allocation you had prior to stopping your deferrals. Contact the Service Center to change your deferral amount or investment allocation.

Narrative Information

****REQUIRED****

In the space below, provide a detailed explanation of the unforeseeable emergency. Be as precise as you can, including names and dates. Attach extra sheets if needed.

Date(s) unforeseeable emergency occurred _____

NOTE: Circumstances over 24 months old cannot be considered unforeseeable today.

➔ **Financial Information**

****LIST ALL THAT APPLY****

Assets (list all at current fair market value)	Self	Spouse
Checking Account	\$	\$
Savings Account		
Real Estate (Home & Other)		
Life Insurance Loan Value		
Investment Accounts		
Autos Year _____ Year _____		
Boat/RV/Motorcycle		
IRA/401(k)/403(b)		
Other –		
Other –		
Debts (list the amounts owed)	Balance Owed	Monthly Payment
Home Mortgage	\$	\$
Second Mortgage		
Home Equity Loan		
Auto Loans		
Insurance Loans		
Personal Notes		
Credit Cards		
Other –		
Other –		
Expenses (list your monthly costs of living)		Monthly Payment
Rent		\$
Utilities		
Food		
Child Care/Child Support		
Property & Casualty Insurance		
Life Insurance		
Auto Fuel/Maintenance		
School/College		
Other –		
Other –		
Monthly Income	Self	Spouse
Salary-Gross	\$	\$
Disability		
Workers' Compensation		
Unemployment		
Investment Income		
Real Estate Rental		
Pensions		
Other Employment		
Alimony/Child Support		
Other –		
Other –		

FOR OFFICE USE ONLY – OHIO DEFERRED COMPENSATION		
Account value \$	Current Status	Deferrals stopped? <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of last deferral	Employer Number	Account Executive

Additional Questions

1. What amount was or will be recovered from insurance or other restitution? \$ _____
 I have no insurance to cover this loss _____

Initials
2. Have you applied to your Credit Union, Bank, or other Finance Co. for a loan to cover this emergency?
 (Including bill consolidation, home equity, or a personal loan) Yes No

 Date _____ Lender _____ Result* _____
 Date _____ Lender _____ Result* _____
****If loans were denied, attach documentation***
3. Have you attempted to sell: rental/vacation properties, RV's, boats, or other nonessential assets?
 Yes No
4. Have you used all your funds in all bank accounts, investment accounts, IRA's, insurance policy cash values, or borrowed the maximum from any 401(k) and/or 403(b) accounts in an attempt to resolve your financial emergency? Yes No
5. What amount is still required after insurance, financing, etc? \$ _____ (Attach documentation)
6. Please specify how the amount requested will be used to lessen your emergency:

7. Family members living at your address:

Name	Age	Relationship

The undersigned hereby certifies that the foregoing information is complete, true, and correct.

Signature of Participant

Date

Applications without a signature will not be processed.

Did you remember?

- **Most recent Federal Income Tax Return (1040, 1040EZ, or 1040A pages 1 & 2 only)**
- **Most recent paystub**
- **Copies of all required supporting documentation for your claim**

****Direct Deposit Authorization on reverse side****

Direct Deposit Authorization

If your unforeseeable emergency withdrawal request is approved, you may choose to have it direct deposited in your checking or savings account. Please complete the following information if you would like this option and return this information with your application.

Financial Institution Information	
Bank Name:	Bank Phone Number:
Type of Account (check one): <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
Attach a voided check or deposit slip	
Account Information:	
Bank Routing Transit Number _____ (9 digits required)	
Bank Account Number _____	

I hereby authorize the Program to initiate credit entries to my account with the financial institution named above. I understand that this authorization will remain in full force and effect during my lifetime or until the Program has received a new Direct Deposit Authorization form from me indicating a change or cancellation. In the event the Program notifies my financial institution that I am not entitled to the funds deposited in my account, I authorize that a debit adjustment to my account may be made.

Name (Please Print)

Signature of Participant

Date

ATTACH A VOIDED CHECK OR DEPOSIT SLIP HERE

NAME
ADDRESS
CITY, STATE ZIP

0123
01-23456789

DATE _____

PAY TO THE ORDER OF _____ \$ _____

_____ DOLLARS

BANK NAME
ADDRESS
CITY, STATE ZIP

FOR _____

⑆012345678⑆ 01234567890123⑆ 0123

Bank Routing Number Bank Account Number Check Number