

# Southern California Pipe Trades Defined Contribution Fund Hardship Withdrawal Application

Prudential Plan #820129

Complete all applicable sections and return pages 1-3 to:

Southern California Pipe Trades Administrative Corporation  
Defined Contribution Department  
501 Shatto Place, 5<sup>th</sup> Floor  
Los Angeles, CA 90020

Save Notice on pages 5-7 for your records.

(800) 595-7473 OR (213) 385-6161

**NOTE: You will be suspended from making 401(k) contributions for a period of six full calendar months following the date of this withdrawal. YOU ARE ENCOURAGED TO CONSULT WITH A TAX EXPERT BEFORE MAKING YOUR ELECTION.**

## SECTION 1—PARTICIPANT INFORMATION

Participant Name

Participant Social Security Number

Street Address (the address to which payments to you and Form 1099-R should be sent)

City, State, ZIP Code

Phone Number and/or email address

If this is a foreign address, additional forms are required. Contact the Southern California Pipe Trades Administrative Corporation for more information.

**MARITAL STATUS:**  Single  Married  Divorced (date of divorce: \_\_\_\_\_)  
If divorce date is after Plan enrollment, attach divorce settlement papers

## SECTION 2—REQUEST FOR WITHDRAWAL

I HEREBY REQUEST A WITHDRAWAL FROM MY EMPLOYEE CONTRIBUTION (401(k)) ACCOUNT IN THE ABOVE PLAN.

THE AMOUNT NEEDED TO RELIEVE MY HARDSHIP IS \$ \_\_\_\_\_.

(You may only withdraw your contributions, not earnings on your contributions. The amount of your payment will be reduced by tax withholding, if applicable. Your request may include an additional amount to cover anticipated tax liability associated with this withdrawal. You may be required to provide evidence to support this additional amount.)

If the amount available for withdrawal in my account is less than the amount I have requested, I ask for the maximum withdrawal available.

**THE REASON FOR WITHDRAWAL IS:**

- to pay un-reimbursed medical expenses of myself, my Spouse, child, dependent, or named Beneficiary;
- to purchase my principal residence;
- to prevent eviction from or foreclosure on my principal residence.
- to pay for tuition/fees for the next 12 months of post-secondary education for myself, my Spouse, child, dependent or named Beneficiary; or
- to pay for expenses for repairing damage to my principal residence that would qualify for a deduction under Internal Revenue Code §165 (without regard to whether the loss exceeds 10% of my Adjusted Gross Income) **(Find enclosed an additional form required for this option.)**
- to pay for burial or funeral expenses for my deceased parent, Spouse, child, dependent or named Beneficiary.

I direct that my hardship withdrawal be distributed from the Plan to me directly in cash.

## SECTION 3—WAIVER OF THIRTY-DAY NOTIFICATION AND WAITING PERIOD

The IRS requires a thirty-day waiting period following receipt of the "Special Tax Notice Regarding Plan Payments." The purpose of this waiting period is to allow Plan participants sufficient time to review tax options before taking a distribution. You have the opportunity to waive this period.

I received the Special Tax Notice on: \_\_\_\_\_, and (Check one)  
(mm/dd/yy)

- I understand that the distribution will not be processed before thirty days have lapsed.
- I understand the explanation of options and choose to waive the thirty-day waiting period.

Signing below and marking neither box will constitute your waiver of the thirty-day waiting period.

## SECTION 4—TAX WITHHOLDING

**NOTE:** If you are over age 59 ½, your withdrawal is eligible for rollover, and is therefore subject to 20% mandatory federal withholding, and state withholding, if applicable. If you are under age 59 ½, complete the following:

### FEDERAL TAX WITHHOLDING

- I do not want to have federal income tax withheld from my benefit payments.
- Withhold 10% (standard amount) for federal income tax
- Withhold \_\_\_\_\_% (must greater than 10%) for federal income tax

### STATE TAX WITHHOLDING

State tax will be withheld according to the rules and rates in effect at the time of distribution. If you reside in a state that requires mandatory withholding, an election to not have taxes withheld will be disregarded and your distribution will be subject to the statutory minimum required withholding.

- I do not want to have state income tax withheld from the taxable portion of my benefit payments.
- I want to have \_\_\_\_\_ state income tax withheld from the Taxable portion of my benefit payments.  
(Name of State)

**PLEASE NOTE:** Even if you elect not to have income taxes withheld, you are liable for the payment of taxes due on the taxable portion of your payment. You may also be subject to tax penalties under the Estimated Tax Payment rules if your payment of estimated tax and withholding are not adequate.

## SECTION 5—UPS 2nd DAY AIR DELIVERY OPTION

**IMPORTANT:** All payments will be issued by check and mailed through the U.S. Postal Service unless otherwise noted in this section. The Fund will not be liable for circumstances beyond its control, including the acts of third-party delivery services, nor for inadvertent failure to follow your delivery instructions. UPS 2<sup>nd</sup> Day Air delivery is not available everywhere and is not available for annuities or systematic disbursements, or for delivery to post office boxes.

- I want my distribution sent by UPS 2<sup>nd</sup> Day Air within the U.S., and I agree that \$10.50 will be deducted from my account prior to distribution for each mailing.
- Require Signature at time of delivery       Do Not Require Signature at time of delivery

## SECTION 6—PARTICIPANT'S DISTRIBUTION CONSENT

### I UNDERSTAND THAT:

1. the withdrawal, if approved, will equal the lesser of the amount required to meet the need created by the hardship, or the amount available for hardship distribution under the law and the terms of the Plan;
2. the withdrawal will be based on the value of my account as of the last valuation date and may be limited by certain trading restrictions;
3. this withdrawal request is irrevocable once processed;
4. the amount I may withdraw may be limited by the terms of the Plan and/or by law;
5. **I must suspend my contributions to the Plan -- and all other deferred compensation plans of the same employer -- for 6 months after receipt of my hardship distribution;**
6. **taking this withdrawal will have the effect of reducing my future retirement benefit;** and
7. I acknowledge that I have been advised to consult a tax advisor regarding any tax consequences this distribution may have.

### I CERTIFY THAT:

1. I have taken all other withdrawals and any loans available to me under programs sponsored by my employer (except that I am not required to take a loan that would increase my hardship);
2. the funds for this need are not otherwise available from reasonable liquidation of personal assets, or by suspending contributions to this or any plan in which I am a participant;
3. I will limit my salary deferrals for this year and next combined to the annual dollar limit under federal law;
4. my withdrawal request is for an immediate and heavy financial need for the reason specified; and
5. I have read and understand the Special Tax Notice on pages 5—9.

If my request is for the purpose of paying for un-reimbursed medical expenses for myself or my minor children, I understand that the Fund may be required to review my records in the Southern California Pipe Trades Health & Welfare Fund. If so, I hereby authorize the Southern California Pipe Trades Defined Contribution Fund to access my Protected Health Information ("PHI") or that on my minor children. If my request is for the purpose of paying for un-reimbursed medical expenses of my Spouse and/or adult dependents, and their PHI is required to consider my request, and they do not consent to the release of their PHI (on a separate form available from the Trust Fund Office) then those expenses will not be considered as part of my hardship request.

X \_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Date

- **ATTACH SUPPORTING DOCUMENTS (such as medical or tuition bills, or home purchase contract)**
- **RETURN pages 1-3 to the Southern California Pipe Trades Administrative Corporation (address on page 1).**
- **SAVE pages 5-7 for your records.**

**SECTION 7—CERTIFICATION OF SIGNATURE**

The signature of the Participant must be witnessed by the Southern California Pipe Trades Administrative Corporation OR notarized by a certified Notary Public.

**EITHER**

Witness by a representative of the Southern California Pipe Trades Administrative Corporation:

\_\_\_\_\_  
ID Provided by Participant

X \_\_\_\_\_  
(Signature of SCPTAC Representative)

\_\_\_\_\_  
Date

**OR**

Notary Public:

State of \_\_\_\_\_

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_,  
(date) (name and title of officer (e.g. "Jane Doe, Notary Public"))

personally appeared \_\_\_\_\_,  
(name of signer)

who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged that he/she executed the same in his/her authorized capacity and that by his/her signatures on the instrument the person executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of \_\_\_\_\_ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

X \_\_\_\_\_  
(Signature of Notary Public)

**[Notary's Seal]**

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# YOUR ROLLOVER OPTIONS

(Safe harbor explanation for plans qualified under IRC § 401(a), issued as IRS Notice 2009-68.)

You are receiving this notice because all or a portion of a payment you are receiving from the Southern California Pipe Trades Defined Contribution Fund (the “Plan”) is eligible to be rolled over to an IRA or an employer plan. You may be able to defer federal income tax on the benefit payment you receive from the Plan by rolling over the payment. This notice is intended to help you decide whether to do such a rollover.

Rules that apply to most payments from a plan are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

## GENERAL INFORMATION ABOUT ROLLOVERS

### How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

### Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

### How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover. If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

### How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- Corrective distributions of contributions that exceed tax law limitations

### If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days

### If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

## RETAIN FOR YOUR RECORDS

**Will I owe State income taxes?**

This notice does not in general describe State or local income tax rules (including withholding rules). However, California imposes a 2% state tax penalty for withdrawals if you are under age 59 ½. Withholding of California State tax is optional.

**SPECIAL RULES AND OPTIONS****If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee.

For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

**If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

**If you roll over your payment to a Roth IRA**

You can roll over a payment from the Plan made before January 1, 2010 to a Roth IRA only if your modified adjusted gross income is not more than \$100,000 for the year the payment is made to you and, if married, you file a joint return. These limitations do not apply to payments made to you from the Plan after 2009. If you wish to roll over the payment to a Roth IRA, but you are not eligible to do a rollover to a Roth IRA until after 2009, you can do a rollover to a traditional IRA and then, after 2009, elect to convert the traditional IRA into a Roth IRA.

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed.

However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

**If you are not a plan participant**

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

**If you are a surviving spouse.** If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

**If you are a nonresident alien**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

**Other special rules**

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

**FOR MORE INFORMATION**

You may wish to contact the Fund Office, or consult with a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.

## **NOTICE REGARDING YOUR RIGHT TO DEFER DEFINED CONTRIBUTION PLAN DISTRIBUTION**

In accordance with the Pension Protection Act of 2006, the Defined Contribution Fund is required to provide you with this notice that describes the provisions of the Plan that may materially affect your decision to defer distribution of your benefit until a later date.

1. You have the right to defer receipt of your benefit until no later than your Required Beginning Date. Your Required Beginning Date is the April 1st of the calendar year following the later of the calendar year in which you attain age 70½ or the calendar year in which you retire. (Exception: if you are a 5% owner, your Required Beginning date is the April 1<sup>st</sup> of the calendar year following the calendar year in which you attain age 70½).
2. All or part of your distribution may be an "eligible rollover distribution." The portion of your benefit that may be an eligible rollover distribution is subject to special tax treatment, the rules of which are described in the "Special Tax Notice Regarding Plan Payments" above. The portion that is not rolled over will be taxed.
3. Whether you wish to defer receipt of your distribution, have all or a portion of your benefit directly rolled over into an IRA or another eligible retirement plan, or receive your benefit at this time is a matter you should consider carefully. As you consider this question, keep in mind that if you defer your receipt of benefits, you will continue to have the right to invest your Individual Account in the Plan's various investment options in accordance with the rules set forth on pages 147 and 148 of your Summary Plan Description. For your information, a list of the Plan's current investment options along with each option's investment style and expense ratio is set forth below:

Investment Options	Investment Style	Fees
UBOC Stable Value B	Stable Value	.54%
PIMCO Total Return A	Fixed Income (bonds)	1.08%
American Century Inflation-Adjusted Bond Inv.	Fixed Income (bonds)	.49%
Dodge & Cox Balanced Fund	Balanced (stocks & bonds)	.53%
BlackRock LifePath Retirement A	Life Cycle (stocks & bonds)	1.10%
BlackRock LifePath 2020 A	Life Cycle (stocks & bonds)	1.10%
BlackRock LifePath 2030 AR	Life Cycle (stocks & bonds)	1.10%
BlackRock LifePath 2040 AR	Life Cycle (stocks & bonds)	1.10%
BlackRock LifePath 2050 AR	Life Cycle (stocks & bonds)	1.10%
John Hancock Disciplined Value I	Equity (stocks)	.75%
Vanguard 500 Index Signal	Equity (stocks)	.09%
Janus Growth and Income T	Equity (stocks)	.88%
Oppenheimer Small & Mid Cap Value A	Equity (stocks)	1.16%
American Funds EuroPacific Growth R3	International Equity (stocks)	1.11%

(In addition to the investment fees listed above, administrative fees are also charged against all accounts.)

**RETAIN FOR YOUR RECORDS**