

International Painters & Allied Trades Industry Annuity Plan

Hardship Withdrawal FAQs

Q1: WHICH FINANCIAL HARDSHIPS QUALIFY FOR A WITHDRAWAL?

A1: The Plan only allows hardship withdrawals for:

- Medical expenses for you, your spouse or dependents that are not otherwise reimbursed
- Costs needed to purchase your primary residence (excluding mortgage payments)
- Payments necessary to prevent your eviction or foreclosure from your primary residence
- Post-high-school tuition and related expenses for you, your spouse, children or other dependents for the next 12 months
- Burial or funeral expenses for your deceased parent, spouse, children or other dependents
- Expenses in connection with federal disasters that are not otherwise reimbursed

Q2: DO I NEED TO PROVIDE DOCUMENTATION OF MY FINANCIAL HARDSHIP?

A2: You must self-certify that you have a qualified hardship expense and that your immediate and heavy financial need cannot be met from other assets or credit. You will need to provide proof of the hardship expense to the IRS if you are audited. This proof includes documentation of the reason for the hardship withdrawal and the amount needed.

Q3: HOW MUCH MONEY CAN I WITHDRAW FROM MY ACCOUNT FOR A QUALIFIED HARDSHIP?

A3: The maximum you can take is 50% of your account balance and the minimum amount is \$2,500, so you must have an account balance of at least \$5,000 to request a hardship. The amount you request must be equal to or less than your documented need, but can be increased by amounts needed to cover taxes and possible penalties, as long as it does not exceed 50% of your account balance.

Q4: I HAVE QUESTIONS ABOUT MEETING THE REQUIREMENTS FOR ANNUITY HARDSHIP. WHO SHOULD I CONTACT?

A4: Contact the IUPAT Industry Pension Fund at 1-800-554-2479.

Q5: HOW DO I REQUEST A HARDSHIP WITHDRAWAL?

A5: Request an Annuity Hardship application form from the Fund Office. Once the form is complete, send it back to the IUPAT Pension Fund. The Fund Office will process your application and ensure that it meets plan requirements for payment.

Q6: IS THERE A FEE TO TAKE A HARDSHIP WITHDRAWAL?

A6: Yes. There is a hardship withdrawal processing fee of \$185. If you elect to have the funds sent via ACH, an additional \$60 fee will apply. These fees would be charged to your Annuity Plan account.

Q7: WILL MY HARDSHIP WITHDRAWAL BE TAXABLE?

A7: The amount you withdraw will be treated as taxable income. If you are under the age of 59½, the IRS may impose a 10% withdrawal penalty at the end of the year when you file your tax return. You may want to consult with your personal tax advisor before requesting a withdrawal.

Q8: WILL I RECEIVE A 1099-R TAX FORM FOR MY HARDSHIP WITHDRAWAL PAYMENT?

A8: Yes, you will be sent a 1099-R tax form showing the amount of the payment. You will need to file this 1099-R with your taxes for the year in which you took the hardship withdrawal.

