



Stanford Contributory Retirement Plan (SCRIP)

TIAA-CREF Hardship Distribution Application Form

Note: See instructions for completing this form starting on page 3.

Select Account (check one or both): [] Tax-Deferred Account (TDA) [] Contributory Retirement Account (CRA)

Name of Participant

Daytime Phone

Address

Employee ID Number

To: Stanford Contributory Retirement Plan Administrator

1. In accordance with the rules of the Plan, I request a hardship withdrawal of employee contributions and any pre-1989 earnings in my Account. This distribution is required to satisfy one or more of the following qualified needs:

- Medical expenses not covered under any health insurance program
Purchase of a principal residence
Tuition for post-secondary education
Payments necessary to prevent eviction or foreclosure on mortgage of primary residence
Payments for burial or funeral expenses for your deceased parent, spouse, children or dependents
Expenses for the repair of damage to your principal residence that would qualify for a casualty deduction under the Internal Revenue Code

See Section II of the Hardship Distribution Instructions for a more detailed description of qualified reasons for requesting a hardship distribution.

2. The amount I am requesting is \$_____. Please circle option A or B:

- A. This amount is the gross amount requested.
B. This amount is the net amount requested after applicable taxes are withheld.

3. In support of my request, I certify under penalty of perjury of the Laws of the State of California that the following statements are true:

- a. The amount I am withdrawing does not exceed the amount needed to satisfy my financial hardship (plus applicable taxes and penalties).

- b. I have taken the maximum available loan from my SCRP account and any other non-taxable plan loans available within the controlled group¹. According to the SCRP, only one SCRP loan can be outstanding at a time.
 - c. I have received all other distributions allowed from all Stanford retirement plans, and my need cannot be reasonably met by other sources.
 - d. I have read and understand the Hardship Distribution Instructions applicable to SCRP hardship distributions, and the hardship withdrawal I am requesting meets the requirements described in those instructions.
4. I take full responsibility for the correctness of assertions in this statement and for the authenticity of all supporting documents. I understand that I am permitted to withdraw only my own contributions and pre-1989 earnings (if any) on my contributions to SCRP. I understand that the Plan may rely on my assertions. I have been informed by the Plan that I should seek my own tax counsel before making this request. I recognize and agree that I am responsible for all taxes, including penalty taxes, resulting from this distribution.

Executed on _____ at _____
Date City

Signature _____

Benefits Office Use Only

TDA Approved _____ 20, _____ for up to \$ _____ TDA Rep _____

CRA Approved _____ 20, _____ for up to \$ _____ CRA Rep _____

¹ **Important Information on “Controlled Group”**

Stanford University is required to follow IRS regulations that mandate the university to treat its retirement plans and plans maintained by other Stanford-related employers as belonging to a single “controlled group” for various purposes.

This controlled group includes Stanford University, Stanford Hospitals and Clinics (Stanford Hospital), Lucile Packard Children’s Hospital, and SAA Sierra Programs LLC (including Alpine Chalet). Employees who work for any of these organizations will be considered, for certain administrative purposes, to be employed by the same employer: Stanford.

Stanford Contributory Retirement Plan (SCRP)

TIAA-CREF Hardship Distribution Instructions

Effective September 1, 1997, you have the ability to make a hardship withdrawal of employee contributions and pre-1989 earnings (if any) on those contributions under certain circumstances. SCRП withdrawals are available, per Internal Revenue Service (IRS) rules, to satisfy your immediate and heavy financial need for expenses as identified in Section II below. The rules and instructions for applying are described in the following pages. All hardship withdrawal applications must be reviewed and approved by a representative of Stanford Benefits.

I. General Rule for Hardship Withdrawals

Specific IRS rules to qualify for a hardship withdrawal are described below. You are responsible for deciding whether your situation is sufficiently serious to apply for a withdrawal from your retirement account. We recommend that you get advice from your legal and/or tax counsel in making this decision. Stanford Benefits will decide whether the application meets the Internal Revenue Code requirements for a hardship withdrawal and if you received funds from all other available sources before seeking a hardship withdrawal.

Unfortunately, applicable tax rules do not allow Stanford from offering hardship withdrawals to pay qualifying expenses incurred by a Domestic Partner who is not your dependent for federal tax purposes.

Only employee contributions and pre-1989 earnings (if any) on employee contributions are available for hardship withdrawal.

II. Requirements for Hardship Withdrawals

If you experience a financial hardship, you may withdraw all or part of your contributions and pre-1989 earnings (if any) first from the Tax-Deferred Account (TDA) and then from the Contributory Retirement Account (CRA). However, this withdrawal must be necessary to satisfy your immediate and heavy financial need and must only be taken after all other reasonably available sources have been exhausted. A withdrawal of all or part of your TDA/CRA account balances will be considered as necessary to meet your immediate and heavy financial need if the distribution is for:

1. Medical care expenses incurred by you, your spouse, or any of your dependents. Medical care expenses are defined as those that are not payable by any health benefit plan or health insurance program from which you are eligible to receive benefits and that would otherwise be deductible medical expenses under Section 213 of the Internal Revenue Code.
2. Costs (excluding mortgage payments) directly related to the purchase of your principal residence.
3. Tuition payments, related educational fees, and room and board expenses for up to the next 12 months of post-secondary education for you, your spouse, children or dependents.
4. Payments to prevent eviction from your principal residence or the foreclosure on the mortgage of your principal residence.
5. Payment for burial or funeral expenses for your deceased parent, spouse, children or dependents.
6. Expenses for damage repair to your principal residence that would qualify for a casualty deduction under Section 165 of the Internal Revenue Code.

III. Distribution Deemed Necessary to Satisfy Financial Need.

A distribution will be considered necessary to satisfy your immediate and heavy financial need if you meet all of these requirements:

1. The distribution is not in excess of the amount of your immediate and heavy financial need (plus applicable taxes and penalties).
2. You have obtained a loan from the SCRP and no additional loan can be requested.
3. You have obtained all distributions, other than hardship distributions, available under all plans maintained by Stanford University, and the financial need cannot reasonably be met by funds from other sources. Other sources include:
 - a. Reimbursement or compensation by insurance or other entity
 - b. Liquidation of your assets
 - c. Cessation of your elective contributions or employee contributions under the plan
 - d. Taking other distributions or non-taxable loans from any employer plans, and
 - e. Borrowing from commercial sources on reasonable commercial terms

If taking any of these actions would have increased the amount of your financial need, then the financial need cannot reasonably be met by taking any of the above actions.

4. You satisfactorily establish the fact of your immediate and heavy financial need to the Plan Administrator. If the expense has been incurred, copies of the bill, invoice, or explanation of benefits are examples of what may be considered acceptable proof. If the expense is to be incurred in the future, examples of acceptable proof are: Documents which demonstrate the expense, such as escrow papers, or a letter from a physician stating that a particular medical expense is not covered by insurance and is necessary. Note: If the expense has already been paid, it is not eligible for reimbursement because it is not deemed as an immediate and heavy financial need.

IV. Spousal Rights

Your rights and the rights of your spouse to a Joint and Survivor or Pre-retirement Annuity payment are protected under federal law. A hardship withdrawal reduces the amount of payment a joint annuitant or beneficiary will receive in the event of your death. Therefore, your spouse must consent *in writing* to a hardship withdrawal request for that request to be effective. See the SCRP Summary Plan Description for further information about spousal rights. You and your spouse are encouraged to consult your legal counsel about the effects of a hardship withdrawal on a lump sum distribution under federal law and California marital property law.

V. Taxation of Hardship Withdrawals

Hardship withdrawals are subject to income taxes. In addition, hardship withdrawals may also be subject to a 10% tax penalty. If you take a hardship distributions after age 59½, you will not be subject to the 10% penalty tax. In addition, certain substantial distributions for medical reasons may also be exempt from tax penalty. See IRS Code Section 213(d).

A hardship withdrawal is subject to 10% federal income tax withholding and any applicable state tax withholding, unless you elect not to have taxes withheld from your distribution. You may increase the amount withdrawn up to 30%, to cover anticipated state and federal taxes, including penalties. You should consult your tax advisor for more information.

VI. Instructions for Submitting Application

Your completed application form and any supporting materials must be submitted to the Stanford Benefits office. Please do your best to submit legible materials since they may be photocopied. Your completed application will be reviewed after receipt.

Please note: If your request for a hardship withdrawal is approved, you will still need to complete your investment provider(s)' distribution form(s). Since the investment provider's distribution form must be approved by a retirement representative in the Stanford Benefits Office, your application will be more quickly processed if you submit the investment provider's form for signature *at the same time* you submit your application.

Address your Hardship Withdrawal Application to:

Stanford University
Hardship Application
Stanford Benefits Office
320 Panama Street
Stanford, CA 94305-4160