

HOTEL UNION AND HOTEL INDUSTRY OF HAWAII 401(k) RETIREMENT SAVINGS PLAN  
560 NORTH NIMITZ HIGHWAY, SUITE 209 HONOLULU, HI 96817  
PHONE (808) 523-0199 FAX (808) 537-1074

**APPLICATION FOR HARDSHIP BENEFIT DISTRIBUTION**

Participants Name: \_\_\_\_\_ Soc. Sec. No. \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
Address \_\_\_\_\_ Phone No. \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
Date of Birth \_\_\_\_/\_\_\_\_/\_\_\_\_ Marital Status \_\_\_\_single \_\_\_\_married \_\_\_\_separated  
Employer \_\_\_\_\_ Department \_\_\_\_\_

**Instruction:** You may use this form to apply for a hardship benefit distribution from your account under the Hotel Union and Hotel Industry of Hawaii 401(k) Retirement Savings Plan (the "Plan"). Hardship distributions are available under the Plan only for the purposes of defraying the following kinds of expenses: (1) medical expenses (beyond amounts covered by insurance) for you, your spouse, your dependents or your primary beneficiary; (2) purchase (excluding mortgage payments) of your principal residence; (3) payment of tuition and similar fees for a period not to exceed 12 months of post-secondary education for you, your spouse, your children, your dependents or your primary beneficiary; (4) amounts necessary to prevent your eviction from your principal residence, or foreclosure on the mortgage associated with your principal residence; (5) funeral or burial expenses for your parent, your spouse, your child, your dependent or your primary beneficiary; or (6) repair expenses for damage to your principal residence. You may also request an additional amount to cover estimated Federal, State or Local income taxes and penalties on the hardship distribution. All of the distributed amounts will be subject to current Federal income taxation. If you are under age 59 1/2 at the time of the distribution there may also be an additional income tax because of your age at the time of distribution. You should consult your personal tax advisor as to the tax consequences of any distribution you contemplate before filing this application. This form must be delivered to the Plan Administrator of the Plan along with such documentary evidence of hardship as the Plan Administrator may require. Federal law or rules of the Plan may also require that this form be accompanied by a waiver of Federal Income tax withholding, appropriate notarized spousal consents, and such other documents as the Plan Administrator may specify.

**NATURE OF HARDSHIP**

(please check all that apply)

- \_\_\_\_\_ Medical expenses for me, my spouse, my dependents or my primary beneficiary, above and beyond amounts covered by insurance.
- \_\_\_\_\_ Purchase of my primary residence.
- \_\_\_\_\_ Payment of unpaid tuition and similar fees for post-secondary education for myself, my spouse, my children, my dependents or my primary beneficiary, for a period not to exceed 12 months.
- \_\_\_\_\_ Payment of past-due rent to prevent the eviction from my primary residence.
- \_\_\_\_\_ Payment of past-due mortgage to prevent the foreclosure from my primary residence.
- \_\_\_\_\_ Funeral or burial expenses for my parent, my spouse, my child, my dependent or my primary beneficiary.
- \_\_\_\_\_ Repair expenses for damage to my primary residence that would qualify as a casualty deduction under IRC Section 165 (determined without regard to 165(h)(5) and whether the loss exceeds 10% of adjusted income).
- \_\_\_\_\_ Expenses and loss (including loss of income) incurred by the employee on account of a disaster declared by the Federal Emergency Management Agency (FEMA), provided the employee's principal residence or principal place of employment at the time of the disaster was located in an area by FEMA for individual assistance with respect to the disaster.

**APPLICANT'S CERTIFICATION**

I hereby request that there be distributed to me as a hardship distribution \$\_\_\_\_\_ from my Deferral Account under the Hotel Union and Hotel Industry of Hawaii 401(k) Retirement Savings Plan (the "Plan") as calculated below. I understand that this distribution will be subject to Federal Income tax, and that if I am under age 59 1/2 at the time of the distribution, any portion of the distribution which is subject to Federal income tax may be subject to an additional penalty income tax associated with "premature distributions."

I hereby certify that I have considered all reasonable alternative sources of funds, and that all of the following are true:

- 1) There are no alternative sources of funds available to me with which I can reasonably satisfy the financial obligations imposed upon me by the hardship I have identified as the basis of this application, including funds that could be raised by a reasonable liquidation of assets. I have applied to at least one commercial lending institution for a loan of the amount I seek from the Plan, and am unable to borrow the required amount or any substantial portion thereof from standard commercial lending sources on reasonable commercial terms.
- 2) I have obtained all distributions, other than hardship distributions, available to me under the Plan and under all other plans sponsored by the Board of Trustees.
- 3) I have insufficient cash or other liquid assets to satisfy the need before a hardship distribution can be made by the plan.

I also understand that the Plan may make a reasonable charge for processing my hardship benefit distribution request.

\_\_\_\_\_  
Participant's Signature

\_\_\_\_\_  
Date

**CALCULATION OF AMOUNTS REQUESTED**  
*(all amounts requested must be documented as per attachment no. 1)*

Amount per documentation	\$ _____
Amount to cover estimated taxes (if applicable)	\$ _____
Total amount requested	\$ _____

I certify that the information contained below is true and complete to the best of my knowledge and belief. **(You must complete both steps 1 and 2, and sign this page before a notary public.)**

**MARITAL STATUS**

1. Please **check one** of the following boxes:

Never Married                       Married                       Divorced and Remarried  
 Widowed                               Separated                       Divorced and Never Remarried

**\* Please note that if you are divorced, or have ever been divorced, you must submit a copy of your divorce decree.**

2. You must **check one** of the following boxes:

I hereby affirm that **I am** subject to a domestic relations order (i.e., divorce decree or child support decree or any other decree, or a judgment or order resulting from a prior marriage) which became effective on or after January 1, 1985. **(If you are subject to a domestic relations order, you must enclose a copy of all such decrees, judgments or orders which apply to you.)**

I hereby affirm that **I am not** subject to a domestic relations order (i.e., divorce decree or child support decree or any other decree, or a judgment or order resulting from a prior marriage) which became effective on or after January 1, 1985.

\_\_\_\_\_  
PARTICIPANT/APPLICANT'S SIGNATURE                      SOCIAL SECURITY NO.                      DATE

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me known to be the person described in and who executed the foregoing statement(s) and acknowledged that he/she duly executed the same as his/her free act and deed.

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

My Commission Expires: \_\_\_\_\_

**TAX WITHHOLDING ELECTION FORM**

Please check one of the following options:

- ( ) I do not want to have Federal income tax withheld from my Non-Periodic Distribution.
- ( ) I want to have a Federal income tax withholding of 10% of my gross Non-Periodic Distribution made from my Non-Periodic Distribution.

Note: Even if you elect not to have Federal income tax withheld, you may be liable for payment of Federal income tax on your non-periodic distribution. You may also be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.

---

Under penalty of perjury, I hereby certify that my name, resident address, social security number and date of birth, as shown below, are correct. I also understand that the election made above shall continue to apply to all future distributions (if any) from this retirement plan until such time that I make a new election.

Name (Print): \_\_\_\_\_

Social Security No.: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Street Address: \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Your Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **ATTACHMENT NO. 1**

Under the Plan, hardship distributions may not exceed the amount of the obligation imposed upon you by the circumstance giving rise to the hardship. For any financial obligation to constitute a hardship for Plan purposes, and thus to qualify the Participant for a hardship distribution, all of the following tests must be met:

- 1) The amount must be substantial, when considered in the context of your compensation level and personal financial statement (or, if you are married and residing together, the joint financial statement of you and your spouse).
- 2) You must certify that there is no reasonably available alternative source of funds sufficient to satisfy the financial obligations imposed by the event giving rise to the hardship. You should consider your investment portfolio, bank accounts, home equity, cash value life insurance, personal lines of credit (including lines of credit attached to your credit cards, if any), withdrawable interests in retirement plans and individual retirement arrangements (IRAs), drawable trust funds, and any other personal or family resources that might be drawn upon. Spousal assets and assets of your children (other than assets held in trust or under the Uniform Gifts to Minors Act) must be included and ownership must be indicated, even if those assets are not available to you. **You must limit your request to the amount by which the immediate need (plus the Federal, State and local income taxes that will be payable on the hardship distribution itself) exceeds the previously described assets that you have reasonably available to meet that need.**
- 3) The event giving rise to the hardship must be: (a) medical expenses for you, your spouse, your children, your dependents or your primary beneficiary; (b) the purchase (excluding mortgage payments) of your principal residence; (c) the payment of tuition and similar fees for a period not exceeding 12 months for post-secondary education for yourself, your spouse, your children, your dependents or your primary beneficiary; (d) the need to prevent eviction from your principal residence or foreclosure of the mortgage on that residence; (e) funeral or burial expenses for your deceased parent, spouse, child, dependent or primary beneficiary; or (f) repair expenses for damage to your primary residence.
- 4) The expense to be satisfied by the hardship distribution must be an expense not covered by insurance or otherwise eligible for reimbursement.

### **HOW TO SUPPORT HARDSHIP DISTRIBUTION REQUESTS**

1. Health Care Expenses. Attach copies of statements evidencing required prepayment for medical services to be rendered and bills from hospitals, physicians, surgeons, therapists, pharmacies, dental practitioners, ophthalmologists, extended care facilities, etc., for services already rendered. Include any written statement of diagnosis received from a qualified health care provider and a list of all insurance coverage(s) available to you.
2. Primary Residence Purchase. Attach copies of executed agreement of sale, and indicate proceeds, if any, expected from disposal of current residence (after settlement of any outstanding mortgage on that property).
3. Educational Expenses. Attach copies of letter of acceptance to educational institution, tuition bill or receipt, laboratory and other fee receipts or statements, and similar items. Indicate all student assistance anticipated or received, including scholarships, fellowships, student loans, etc.
4. Eviction/Foreclosure. Attach notice of eviction, notice of foreclosure, or other documentation evidencing imminence of the same.
5. Funeral/Burial Expenses. Attach copies of bills/invoices evidencing such expenses.
6. Repair Expenses. Attach copies of estimate and explanation of damage.
7. Tax Estimate. You may request an additional amount to cover estimated Federal, State or Local income taxes and penalties on the hardship distribution. If your request includes an estimated amount to cover any taxes and penalties, include computations to show the manner in which the tax amount was estimated.