Florida State University 403(b) Plan
Hardship Withdrawal Policy Statement

This serves as an explanation of the rules for applying to take a hardship withdrawal from the Florida State University 403(b) Plan (Plan). All hardship withdrawals will be made strictly in accordance with the provisions of the Plan and this Hardship Policy Statement. In the case of any item not covered by this explanation, or in the event of any conflict between this explanation and the Plan or Internal Revenue Code (IRC) regulations, the Plan document or IRC regulations always will control.

For hardship withdrawals issued on or after July 1, 2016 the following applies.

1. Plan Administration

The Florida State University Human Resources Benefits Office (Benefits Office) is responsible for the operation of the Hardship Withdrawal Program. A participant’s hardship withdrawal request must be approved by the Benefits Office prior to the investment provider issuing the loan proceeds.

2. Hardship Withdrawal Program

   A. Hardship withdrawals are available to active employees who are not otherwise eligible for a withdrawal from the plan.
   
   B. Hardship withdrawals are not permitted for discontinued investment providers.
   
   C. Hardship withdrawals may be permitted for the following purposes:
      
      a. Costs directly related to the purchase of a principal residence for the employee (excluding mortgage payments).
      
      b. Payments necessary to prevent the eviction of the employee from the employee’s principal residence or mortgage foreclosure on that residence.
      
      c. Medical care expenses previously incurred by the employee, the employee’s spouse or any dependents of the employee, or if necessary for these persons to obtain medical care.
      
      d. To pay for college tuition expenses for participant, spouse or dependent.
      
      e. Funeral expenses for the employee’s deceased spouse, parent or dependent.
      
      f. To pay for repairs from major damage to the employee’s principal residence.

3. Maximum Hardship Withdrawal Amount

The maximum hardship withdrawal amount is determined by each investment provider company based on IRC. Hardship withdrawal amounts cannot exceed the amount of the participant’s total elective contributions as of the date of the distribution reduced by the amount of previous distributions of elective contributions.

4. Terms

   A. Hardship withdrawal amounts may not be repaid to the Plan.
   
   B. Hardship withdrawal amounts are included in gross income unless they consist of designated Roth contributions. In addition, they may be subject to an additional tax on early distributions of elective contributions.
   
   C. Elective contributions to the Plan and other plans maintained by the employer or related employers are prohibited for 6 months after the hardship distribution is issued. If you are currently making elective contributions to the Plan your contribution will be suspended for the required period of time and will resume after the 6-month suspense period.