



Hardship Loan Application

Instructions

To request a hardship loan, complete all applicable sections of this form, obtain any required signatures, and return the form to Diversified at the above address.

Section A. Employer Information

Company/
Employer Name

Contract/Account No. Affiliate No. Division No.

Section B. Participant Information

Last Name Date of Birth (mm/dd/yyyy)

First Name/MI Social Security No.

Mailing Address

City State

Zip Code

Phone No./Ext.

E-mail Address

Section C. Hardship Loan Information

Requested Loan Amount \$

Requested Loan Period years (*one year increments only*)

FOR INTERNAL USE ONLY
 Loan Number

Standard (*Loan period cannot exceed 5 years*) Principal Residence Purchase (*Loan period may be greater than 5 years, check your Summary Plan Description or contact Diversified for further information.*)

Section D. Supporting Documentation

My hardship withdrawal request is for the purpose of meeting the financial need(s) indicated below.

- Prevent foreclosure/eviction of my principal residence** (e.g., provide foreclosure or eviction notice)
- Purchase of my principal residence (excluding mortgage payments)** (e.g., provide contract signed by buyer and seller)
- Post-secondary educational expenses - up to the next 12 months** (e.g., provide qualifying tuition bill for self, spouse, children or dependents)
- Medical expenses** (e.g., provide unpaid medical bill indicating insurance portion or denial letter from insurance carrier for self, spouse, dependents or non-custodial child)
- Medical care pre-certification** (e.g., provide letter of pre-certification from insurance carrier for self, spouse, dependents or non-custodial child)
- Expenses to repair damage to my principal residence that would qualify for a casualty loss deduction under Code Section 165 (determined without regard to whether the loss exceeds 10% of adjusted gross income)** (e.g., provide copy of repair bill)
- Burial/funeral expenses for your deceased parent, spouse, children or dependents** (e.g., provide certified copy of death certificate and bill from funeral home)
- Other** _____

Note: Medical expenses for a non-custodial child, burial/funeral expenses and repair of property damage to a principal residence generally are not available as a basis for a hardship loan until your plan's 2006 plan year. Please contact your Plan Administrator for additional information.

I have provided supporting documentation as indicated below, including relevant dates, amounts, signatures and phone numbers:

Type of Hardship	Date	Type of Documentation	Amount
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total			\$ _____

Section E. Terms and Conditions

1. The loan amount must meet the minimum permitted by the plan. The loan amount, when added to the outstanding balance of any other loans from all plans of the employer, may not exceed the lesser of (1) \$50,000 reduced by an amount equal to the highest outstanding loan balance (if any) during the previous 12 months, or (2) 50% of the value of the vested interest in the participant's account. If the amount requested is more than the amount available, the maximum loan amount available will be processed.
2. The loan will be withdrawn based on the plan's provisions and administrative procedures. (Please refer to your Summary Plan Description or contact your Plan Administrator for additional information.) Any amount so withdrawn will not share in investment gains or losses until repaid.
3. A non-refundable loan set-up charge may be deducted from the participant's account.
4. Except for a principal residence purchase loan, the term of the loan will be between 1 and 5 years, as selected in Section C of this Loan Application. Partial-year loan periods are not permitted. A principal residence purchase loan may be allowed by your plan for a loan period greater than 5 years. Please check your Summary Plan Description or contact Diversified for more information.
5. Loan repayments are due on the dates, and based on the repayment frequency, as prescribed by the employer consistent with the terms of the plan. Each payment shall be equal to the sum of (1) the prorated equivalent of the annual loan interest payable on the remaining principal and (2) an installment payment of the loan principal. Each repayment will be credited back to the account in accordance with the investment allocation in effect at the time of repayment. A repayment may not be treated as a new contribution.
6. If the plan provides, loan repayments will be suspended while the participant is (1) performing service in the uniformed services as provided under Internal Revenue Code Section 414(u)(4), or (2) on authorized non-military leave (suspension not longer than one year) with reduced or insufficient pay to cover the loan repayment. The suspension of payments because of non-military leave cannot extend the term of the loan beyond the original maturity date of the loan.
7. The loan interest rate will be determined according to plan provisions. Please contact your Plan Administrator for specific details.
8. The loan may be prepaid in full with advance notice to Diversified and the employer. No prepayment penalty applies.
9. If the loan is declared in default, a taxable distribution can be reported to the Internal Revenue Service. To the extent permitted by law, the participant's account balance will be reduced (offset) in order to repay the loan.
10. This Loan Application must be submitted without modification or alteration and all applicable sections must be completed.

Section F. Participant Signature

Please note: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim from a group annuity contract issued in New York, containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed \$5,000 and the stated value of the claim for each such violation. States other than New York also have insurance fraud statutes, which impose penalties for any violation thereof (applicable to withdrawals from any account in an annuity contract).

For Married Participants: I elect to waive qualified joint and survivor benefits (if applicable) with respect to the loan amount I have requested to be withdrawn from the plan. I understand that such waiver is not effective unless I obtain the written consent (if applicable) of my spouse, witnessed by my Plan Administrator or a Notary Public.

For All Participants: I hereby apply for a cash loan from the vested funds in my account. I have read, understand and agree to the terms and conditions of this Loan Application and the loan provisions in my employer's program. I accept full responsibility for adherence to the requirements of the loan to avoid realization of taxable income.

X

Participant Signature

Date

Print Name and Social Security Number

Section G. Spousal Consent (if applicable)

Spousal consent is required for any loan requested by a married participant.

I consent to my spouse's request for a cash loan from the vested funds in his/her account. I understand that such consent means that any benefits which may be payable from such account under the plan at my spouse's death or retirement, will be reduced by the balance of any unpaid loan principal and interest and any loan charges.

WITNESSED

X

Spouse Signature

Date

X

Plan Administrator Signature or Notary Public Signature and Stamp/Seal

Date

Section H. Plan Administrator Information and Signature

Vested %: _____ (Note: This loan request cannot be processed unless all applicable sections of this form have been completed.)

Loan Interest Rate: _____% Loan repayment frequency weekly bi-weekly semi-monthly monthly

I certify that this form is correct and complete, this transaction is permissible under the provisions of the plan, and that any required consents and waivers have been obtained.

X

Plan Administrator Signature

Date



This information only applies to defined contribution retirement plans subject to the joint and survivor annuity requirements. To confirm if your plan is subject to these requirements, please refer to your Summary Plan Description or contact your Plan Administrator.

General

As a plan participant, you generally may elect to receive benefits when you reach your normal retirement age or terminate employment, provided your plan account has monies in it available for your withdrawal. However, some money purchase plans require an employee who terminates employment prior to the early/normal retirement age under the plan to wait until a certain age to withdraw his/her funds. If your plan allows in-service withdrawals for hardship or upon your attainment of age 59 1/2 or for any other reasons, you may also elect to receive benefit payments if you have satisfied the applicable plan requirements. If you are married on the date your benefit payments begin, you will be paid automatically in the form of a Qualified Joint and Survivor Annuity. This means that you will receive a monthly benefit for the rest of your life, and then after you die, your spouse, if living, will receive a monthly benefit for as long as he or she lives.

Your surviving spouse's monthly benefit must be at least half of, but not greater than, the monthly benefit you would have received. Receiving benefits in this form usually means that your monthly benefits will be less than what you would receive under other forms of benefit. The reason for this difference is that Qualified Joint and Survivor Annuity benefits are intended to be paid over two lifetimes (yours and your spouse's).

You may elect to receive benefits in a form other than a Qualified Joint and Survivor Annuity, but your spouse must consent to this election, in writing, witnessed by your Plan Administrator or a Notary Public. If you wish to designate a person other than your spouse as your beneficiary, you must obtain your spouse's written consent to your beneficiary designation. If established to the satisfaction of your Plan Administrator that your spouse cannot be located, spousal consent is not required. Generally, your benefit election may be made and/or cancelled only during the 180 days before your benefit starting date. If you waive the Qualified Joint and Survivor Annuity, then cancel such waiver prior to the date that benefit payments begin, your benefit will be paid in the form of a Qualified Joint and Survivor Annuity pursuant to the provisions of the plan. If you properly waive the Qualified Joint and Survivor Annuity benefit, you may elect one of the forms of benefit indicated below.

Please note, the plan may provide that if the cash value of your benefit is less than a specified amount (generally \$5,000 or less, if any), your benefit will be paid to you in a single sum, or automatically rolled over to an IRA (if required by federal law).

If you are *not* married on the date your benefit payments begin, you will be paid automatically in the form of a Straight Life Annuity unless you elect a different form of benefit. Under a Straight Life Annuity, you are paid a monthly benefit for your lifetime with no benefit payable upon your death.

Upon written request to your Plan Administrator, you may obtain further information, including the approximate amounts payable under the Qualified Joint and Survivor Annuity and other forms of benefit available under the plan.

Under the provisions of the plan, you may, with your spouse's consent if you are married, request that your benefit be paid under the optional form of benefit which is best suited to your particular needs and circumstances. The amount of monthly income payable will depend upon the form of payment elected, your age (and your designated beneficiary's age) as well as your vested account balance as of your retirement date, or, if earlier, date of this election.

Summary of Forms of Benefit

Qualified Joint and Survivor Annuity - Beneficiary is Surviving Spouse: A lifetime monthly income is payable to you, beginning on your benefit starting date and continuing until the last payment due before your death. If you are married on the date your benefit payments begin, upon your death your surviving spouse will, depending on the provisions of your employer's plan, receive a monthly income for life equal to at least one-half (and not more than 100%) of the amount of monthly income you were receiving.

Straight Life Annuity - No Years Certain: A lifetime monthly income is payable to you, beginning on your benefit starting date and continuing until the last payment due before your death. If you die after your benefit starting date, there will be no death benefit payable. If you are not married on the date benefits are to begin, payment will be made in this form unless you elect another form of benefit.

Fixed Period Certain Annuity - No Life: A monthly income is payable to you beginning on your benefit starting date, in equal installments over a specified period of not less than 12 nor more than 240 months. If you die during the specified period elected, the income will be continued for the remainder of the specified period to your designated beneficiary. You may elect that such payment to your beneficiary is to be made in a single sum.

Single Sum Payment: Instead of lifetime monthly income payments, the vested balance in your account will be paid in a single sum.

Installment Payment: Instead of lifetime monthly income payments, the vested balance in your account will be paid in installment payments.

Partial Payment: Instead of lifetime monthly income payments, the vested balance in your account will be paid in partial payments.

Comparison of Forms of Benefit

These examples compare benefits under a Qualified Joint and Survivor Annuity and other forms of benefit. These examples are based on specific assumptions and certain interest rates and mortality rates. The amounts shown are provided to illustrate the differences among the various options and are not intended to represent the actual amount payable to you. Upon your request, a more precise calculation will be provided. Your request should be sent to the address below if in writing. If you wish to call in your request, see the number provided below for you to call.

Assume a participant retiring at age 65 has a spouse of the same age and a \$200,000 account balance.

Age 65 Commencement

Form of Benefit	Benefit to Participant	Benefit to Spouse/Beneficiary After Participant's Death
Qualified Joint and Survivor Annuity with 100% Continuing to Spouse	\$ 996.94 per month	\$ 996.94 per month
Qualified Joint and Survivor Annuity with 75% Continuing to Spouse	\$1,037.85 per month	\$ 778.39 per month
Qualified Joint and Survivor Annuity with 66 2/3% Continuing to Spouse	\$1,052.25 per month	\$ 701.50 per month
Qualified Joint and Survivor Annuity with 50% Continuing to Spouse	\$1,082.27 per month	\$ 541.14 per month
Fixed Period Annuity - No Life (60 months)	\$3,484.59 per month	\$3,484.59 per month. If participant dies before receiving 60 monthly payments, remaining payments continue to beneficiary.
Fixed Period Annuity - No Life (120 months)	\$1,776.94 per month	\$1,776.94 per month. If participant dies before receiving 120 monthly payments, remaining payments continue to beneficiary.
Straight Life Annuity	\$1,183.61 per month	\$0
Single Sum Payment	\$200,000	\$0

Any annuity elected will be provided by purchasing an annuity contract from an insurance company with your vested account balance under the plan. Dollar amounts shown do not reflect any required tax withholding.

Joint and Survivor Annuity Waiver Rights

You have at least 30 days to consider whether to waive the Qualified Joint and Survivor Annuity and elect another form of benefit. If, after receiving this Explanation, you affirmatively elect a distribution and your spouse consents to that form (if necessary), your distribution may be made less than 30 days from the date this Explanation was given to you provided:

- Your distribution election is revocable until the later of (a) your benefit starting date, or (b) prior to the expiration of the 7-day period that begins the date after you receive this Explanation;
- Your benefit starting date is a date after the date you received this Explanation;
- Distribution in accordance with your benefit election is paid more than 7 days after the date this Explanation was provided.

Consequences of You Taking the Distribution Instead of Deferring Receipt of the Distribution

If you are eligible to receive a distribution from the plan, but also have the right to defer receipt of such distribution because, e.g., the value of your nonforfeitable account balance exceeds \$5,000 (or such lower automatic cash-out limit set by the plan), your decision not to defer receipt of your distribution includes the following consequences: (1) if you do not make a rollover within 60 days of receipt of the payment, you will be taxed on the taxable amount of the distribution not rolled over, and (2) for participants who are under 59 1/2 and/or who separated from service prior to the year they attained 55 at the time they take the distribution, an IRS early distribution 10% penalty tax may apply to the taxable portion of such distribution.

Right to Request Participant-Specific Information

You have the right to request specific information with respect to each form of benefit available to you under the plan, including a description of the financial effect of electing each form of benefit available to you under the plan. Written requests should be sent to Diversified Investment Advisors, 4 Manhattanville Road, Purchase, NY 10577, (Attn: Retirement Counseling Group, Mail Drop 4-41) or call 800-755-5801.

SAFE HARBOR HARDSHIP LOAN INSTRUCTIONS

Enclosed is your hardship loan application package. Please be sure to complete all sections of the form. If you need assistance completing the application, call the toll free line on the Hardship Loan form and select the Customer Service option. A Diversified representative is available to help you between the hours of 8:00 a.m. - 9:00 p.m. Eastern Time.

1. Hardship Loan Eligibility Criteria

- A. The Plan provides that loans are available only for certain kinds of hardships. To be eligible for a hardship loan, you must have an immediate and heavy financial need in one of the following six categories. In addition to establishing the nature of the hardship, the paperwork must meet certain requirements to be considered complete, as noted below:

<u>Hardship Loan Criteria</u>	<u>Examples of Required Documentation</u>
<p>Medical Expenses/ Medical Care Pre-Certification</p> <ul style="list-style-type: none"> ➤ Expenses for medical care previously incurred by the employee, the employee's spouse, or any dependents of the employee (including a non-custodial child), or necessary for these persons to obtain medical care ➤ Participant has incurred medical expenses not covered by insurance for self, spouse or dependent (including a non-custodial child). If this is for a dependent, submit copy of recent federal tax return showing list of dependents 	<ul style="list-style-type: none"> • Copy of unpaid medical bill indicating portion of insurance payment, • Copy of denial letter from insurance carrier, • Copy of insurance carrier benefit statement showing uncovered portion, or • Copy of insurance estimate indicating amount not covered.
<p>Purchase of Principal Residence (excluding mortgage payments)</p> <ul style="list-style-type: none"> ➤ Costs directly related to the purchase of a principal residence for the employee 	<ul style="list-style-type: none"> • Copy of a contract of sale signed by the buyer and seller • Copy of the executed purchase agreement signed by the buyer and seller, or • Copy of the mortgage commitment or commitment letter from bank signed by the buyer and the bank
<p>College/ Post-Secondary Tuition</p> <ul style="list-style-type: none"> ➤ Payment of tuition, related educational fees, and room and board expenses, for the next 12 months of post-secondary education for the employee, or the employee's spouse, children, or dependents 	<ul style="list-style-type: none"> • Copy of unpaid tuition bill, related educational fees, and room and board expenses from college, university or post-secondary school for a period during the next 12 months • For other post-secondary education, obtain documentation from institution that states the following: <ol style="list-style-type: none"> 1) has an accredited program 2) is eligible for Federal financial aid, and 3) provides a post-secondary degree
<p>Foreclosure/ Eviction</p> <ul style="list-style-type: none"> ➤ Payments necessary to prevent the eviction of the employee from the employee's principal residence or foreclosure on the mortgage on that 	<ul style="list-style-type: none"> • Copy of foreclosure or eviction notice for essential shelter that is the participant's principal residence. Address of essential shelter must appear on notice.

residence	
Burial or funeral ➤ Expenses for the employee's deceased parent, spouse, children or dependents	<ul style="list-style-type: none"> • Certified copy of death certificate and bill from funeral home.
Repair of damage to the employee's principal residence ➤ Expenses for repair of damage to the employee's principal residence that would qualify as deductible casualty expenses (without regard to the 10% "floor" on deductibility)	<ul style="list-style-type: none"> • Copy of repair bill with principal residence address noted on the bill.

2. Amount Available for Loan

- A. **Cannot exceed the need** - The amount of the loan you request may not exceed the amount of the immediate and heavy financial need. The amount withdrawn is subject to verification and is limited by your vested account balance. Fluctuations in financial markets may affect the amount that is available.

3. Information Needed on the Required Documentation

Failure to submit the appropriate documentation will delay the processing of your application. In order to process your request, the application and supporting documentation must include:

A. Important Information

- relevant dates
- relevant amounts
- persons who may be contacted to verify the debt

If some of this information is missing, please write us a short explanation as to why the information could not be provided.

B. Employee Signature

- You are required to sign and return the attached *Hardship Loan Request* form to Diversified.

4. Application Processing

Once you have completed the hardship loan request form and have attached all supporting documentation, you must submit the paperwork to your Plan Administrator. Your Plan Administrator will review your hardship loan application for completeness and will forward your request to Diversified once fully approved. In the event that your application is not complete, the Plan Administrator will request the required missing information.

Upon receipt of your signed paperwork, Diversified will process your request and mail you your check. If you would like the status of your request once Diversified had received your application, please call the toll free line indicated on the Hardship Loan Request form and select the Customer Service option.

Your hardship loan will not be processed until you have submitted the following:

- 1. Hardship Loan Application**
- 2. Documentation Providing Hardship**
- 3. Notarized Spousal Consent, if married and if required by the plan**