

POLICIES REGARDING HARDSHIP WITHDRAWALS

The Board shall appoint a three person committee with the authority to approve hardship withdrawals for extreme financial need from pension accounts. An alternate shall be selected who will serve in the absence of any committee member when a timely decision is required; or when one of the primary committee members requests to recuse themselves from the decision-making process. This committee shall not be required to render a decision when the hardship is covered by the Safe Harbor Provisions in the IRS Regulations. Withdrawals are always subject to the current pension plan rules. A committee of approval of such other extreme financial needs shall necessitate a unanimous vote.

The person shall contact the chairperson of the hardship committee. The chairman or other members shall ask the participant the nature of the hardship. The chairman of the hardship committee will immediately notify a church officer of the request. It shall be judged to be extreme if the person is being threatened with legal action for failure to meet these expenses, or if failure to meet these expenses will endanger the financial health of the applicant. The applicant must indicate that all steps have been taken to secure these funds from other appropriate sources. The following questions may be asked and need to be satisfied before a decision is rendered:

1. Have you sought a personal loan for this matter?
2. Have you liquidated all discretionary monies, assets and savings?
3. Have you made a reasonable attempt to develop an alternate plan with the creditor to meet this expense?
4. Have you sought assistance from your employer or judicatory that may have access to emergency funds to help avoid this withdrawal?
5. Have you had your financial situation assessed by a professional financial advisor and is it their determination that a hardship withdrawal from your pension account is the only reasonable alternative to your situation?

Although this information can be taken verbally by the interviewing committee member, a letter describing the need, identifying the amount requested , and stipulating the responses to these questions must be on file with the Board (and co-signed by the spouse) along with the hardship withdrawal from before monies can be disbursed.

The chairperson of the committee or his representative shall provide a response to the applicant and in the case of the denial, such response shall be in writing stating the reasons. The Pension Office shall be informed by phone and electronic or written correspondence, authorizing this withdrawal. This authorization shall be on file.

Amended: 05/22/2017