

Unforeseeable Emergency Withdrawal Request
NJ STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Instructions Please print using blue or black ink. Send completed form to the following address or fax it to **1-866-439-8602**.
If faxing, please keep original for your records.

Prudential
30 Scranton Office Park
Scranton, PA 18507-1789

Questions?
Call 1-866-NJSEDCP (1-866-657-3327) for assistance.
If you are hearing impaired and have a teletype (TTY) line, call 1-877-760-5166.

About You

Plan number **Please provide your division/department name**

 0 0 6 1 4 9 _____
(Please print entire division/department name)

Social Security number

First name MI Last name

Address

City State ZIP code

Date of birth Gender
 _____ M F
month day year

Daytime telephone number

area code

Notification Preference (how you prefer Prudential to contact you for this request). Choose one:

Email _____
(preferred email address)

Text _____
(mobile phone number)

Please note: If neither email or text are selected (or both), we will default to email, if provided.

**Amount of
Unforeseeable
Emergency
Withdrawal**

Amount Requested: \$ _____

Depending on the terms of your plan, the withdrawal amount will either be prorated across all available contribution types and investments or taken in a specific sequence. If the amount requested exceeds your maximum withdrawal amount, you will be paid the maximum amount available.

Additional amounts may be necessary to pay federal and/or state income tax. If you elect tax to be withheld from this withdrawal, your amount requested will be grossed up to include taxes (this is called a "gross up"). **A maximum of 35% will be used in the gross up calculation to cover taxes withheld as a result of this disbursement.**

Important message for individuals invested in IncomeFlex: Withdrawals made after the lock-in date in excess of the annual guaranteed (lifetime annual) withdrawal amount called "excess withdrawals", will result in a permanent reduction in future guaranteed withdrawal amounts. In addition, any withdrawals made prior to the lock-in date will reduce the income base used to determine your future guaranteed withdrawal amounts. Please see the Prudential IncomeFlex Important Considerations or Prospectus document for additional information about withdrawals, including examples. If you would like to make an excess withdrawal or a withdrawal before the lock-in date and are uncertain how the withdrawal will reduce your future guaranteed withdrawal amount, then you may contact Prudential at the number listed above prior to requesting the withdrawal to obtain a personalized, transaction specific calculation showing the effect of the withdrawal.

**Election For
Withholding
of Federal
Income Tax**

I understand that if I do not check one of the following boxes, 10% federal (plus any applicable state or local) income taxes will be automatically withheld from my distribution.

I **do not** want federal income tax withheld from my distribution.

I want % in addition to the 10% federal income withheld from my distribution.

UNFORESEEABLE EMERGENCY WITHDRAWAL APPLICATION

A distribution from your deferred compensation account is only available upon your separation from employment with the State of New Jersey, your death, or the approval of an in-service distribution or unforeseeable emergency withdrawal. The Plan is administered under the authority of the Internal Revenue Code. The Plan Administrator must follow the applicable Federal laws and regulations that govern the withdrawal of funds in cases of unforeseeable emergency. Attached are the unforeseeable emergency withdrawal regulations from Internal Revenue Code Section 457.

Generally, an unforeseeable financial emergency is a circumstance for which you could not have planned or budgeted, and is so compelling as to present a justifiable reason for withdrawing all or part of your Plan funds to meet the emergency need. Examples may include catastrophic illness, a disabling injury or property damage from a natural disaster. Below is a listing of the most common requests.

EXAMPLES OF APPROVED EMERGENCIES

- Uninsured medical expenses
- Funeral expenses of a family member
- Property damage not covered by insurance
- Lost income resulting from a disability

EXAMPLES OF UNAPPROVED EMERGENCIES

- Purchase of a home
- Cost of education
- Routine repairs or maintenance
- Payment of taxes

A withdrawal will not be approved for any costs reimbursed by insurance or other compensation. Also, if liquidating other assets would alleviate the financial emergency, there would be no grounds for a withdrawal.

Should you find yourself in an unforeseeable hardship situation, you must immediately terminate any current contributions to the Plan and determine what other sources of funds to use to offset the emergency expenses incurred. If you still believe your circumstances meet the unforeseeable emergency withdrawal definition, complete, sign and mail the attached *Unforeseeable Emergency Withdrawal Financial Profile* with all required supporting documents to Prudential, PO Box 5410, Scranton, PA 18505-5410.

In order for your request to be considered for approval, you must submit a copy of your most recently filed federal income tax return and supporting documents with your application. Examples of supporting documents include, but are not limited to, the following: (1) medical bills (amounts not covered by insurance); (2) insurance statements showing amount paid or not paid; (3) applicable legal documents; (4) doctor's statements; (5) police or fire accident reports; or (6) insurance estimates on property damage.

You may expect a decision within five working days of receipt of the application in good order. The Administrator will notify you of the decision in writing. If all information required is not provided, you will be asked to provide the additional information or your application will be returned to you unprocessed and you may resubmit your application again with the appropriate information.

All distributions from the Plan are deemed to be pension payments and, as such, are subject to Federal income tax withholding. Federal withholding tax will be deducted from any amount approved for emergency withdrawal at 10 percent of the gross amount unless you indicate otherwise on the tax section of the form. You will receive a Form 1099-R Pension Tax Statement at the end of the year that will show the amount of Federal tax withheld. If you have any questions concerning this process, please feel free to contact us toll free by calling our Participant Service Center at 1-866-NJSEDCP (1-866-657-3327). Monday through Friday 8:00a.m. to 9:00p.m. Eastern Time. If you are hearing impaired and have a teletype (TTY) line, call 1-877-760-5166

NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN INFORMATION STATEMENT
(excerpt)

5.9. Unforeseen Emergency Withdrawal

A participant may withdraw deferred compensation credited to his/her account by completing and returning the Deferred Compensation Unforeseen Emergency form to Prudential.

Within five working days of receiving a notice of unforeseen emergency in good order, the administrator shall determine whether the participant qualifies for a withdrawal of his/her deferred compensation. Any such determination shall comply with the regulations or the requirements established by the Internal Revenue Code 457. At the request of the administrator, the participant may agree to an extension of the period for making such determination.

The administrator shall have the authority to require such documentation as medical or other evidence as he/she may need to determine the necessity of the participant's withdrawal request.

If the administrator should deny a participant's request in whole or in part, the participant may appeal to the Board and shall direct the administrator to so notify the Board.

If such application for withdrawal is permitted, the amount of such withdrawal shall be limited to an amount that is sufficient to meet the emergency and the participant's account shall be valued as of the accounting date coincident with or next following approval of the participant's request.

**INTERNAL REVENUE CODE AND REGULATIONS
PERTAINING TO EMERGENCY WITHDRAWAL**

Proposed Reg. 1.457-6 Timing of distributions under eligible plans.

(c) Rules applicable to distributions for unforeseeable emergencies—

- (1) *In general.* An eligible plan may permit a distribution to a participant or beneficiary faced with an unforeseeable emergency. The distribution must satisfy the requirement of paragraph (c)(2) of this section.
- (2) *Requirements—*
 - (i) *Unforeseeable emergency defined.* An unforeseeable emergency must be defined in the plan as a severe financial hardship of the participant or beneficiary resulting from an illness or accident of the participant or beneficiary, the participant's or beneficiary's spouse or the participant's or beneficiary's dependent (as defined in section 152(a)); loss of the participant's or beneficiary's property due to casualty; or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant or the beneficiary. For example, the imminent foreclosure of or eviction from the participant's or beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a family member may also constitute an unforeseeable emergency. Except in extraordinary circumstances, the purchase of a home and the payment of college tuition are not unforeseeable emergencies under this paragraph (c)(2).
 - (ii) *Unforeseeable emergency distribution standard.* Whether a participant or beneficiary is faced with an unforeseeable emergency permitting a distribution under this paragraph (c) is to be determined based on the relevant facts and circumstances of each case, but, in any case, a distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise; by liquidation of the participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship; or by cessation of deferrals under the plan.

- (iii) *Distribution necessary to satisfy emergency need.* Distributions because of an unforeseeable emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

Code Section 152 — Dependent defined —

(a) General Definition. — For purposes of this subtitle, the term “dependent” means any of the following individuals over half of whose support, for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer:

- (1) A son or daughter of the taxpayer or a descendant of either,
- (2) A stepson or stepdaughter of the taxpayer,
- (3) A brother, sister, stepbrother or stepsister of the taxpayer,
- (4) The father or mother of the taxpayer or an ancestor of either,
- (5) A stepfather or stepmother of the taxpayer,
- (6) A son or daughter of a brother or sister of the taxpayer,
- (7) A brother or sister of the father or mother of the taxpayer,
- (8) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law of the taxpayer, or
- (9) An individual (other than the individuals who at any time during the taxable year was a spouse) who, for the taxable year of the taxpayer, has as his principal place of abode the home of the taxpayer and is a member of the taxpayer’s household.

(b) Rules Relating to General Definition. — For purposes of this section —

- (1) The terms “brother” and “sister” include a brother or sister by halfblood.
- (2) In determining whether any of the relationships specified in subsection (a) or paragraph (1) of this subsection exists, a legally adopted child of an individual (and a child who is a member of an individual’s household, if placed with such individual by an authorized placement agency for legal adoption by such individual), or a foster child of an individual (if such child satisfies the requirements of subsection (a) (9) with respect to such individual), shall be treated as a child of such individual by blood.
- (3) The term “dependent” does not include any individual who is not a citizen or national of the United States unless such individual is a resident of the United States.

FINANCIAL PROFILE

(Required by IRS Code Sec. 457, Reg. §1.457-2.)

THE INFORMATION PROVIDED IS FOR THE USE OF THE BOARD AND WILL BE KEPT CONFIDENTIAL

1. Please describe the event that caused this unforeseeable emergency: _____

_____ Please attach any official verification such as a police or fire report, adjuster's statement, doctor or other bills.

2. Have you exhausted all insurance, other restitution and conventional sources of funds? Yes No

Explain: _____

3. Are other parties responsible for any part of the expense incurred? Yes No

Explain the extent of that involvement: _____

4. Was this a normally budgeted expense? Yes No

Explain _____

5. What was or will be recovered from insurance and other restitution? \$

(Attach insurance adjuster's estimate, insurance forms or other documents.) _____

6. What amount can you finance through your bank or other conventional resources? \$

(Attach documentation pertaining to approval or denial of loans.) _____

7. Have you applied for a loan through your state pension plan? Yes No

(Attach documentation pertaining to approval or denial of loans.)

8. What amount is still outstanding after insurance, financing, etc.? \$

(Attach documentation.) _____

Financial Summary

(I) ASSETS

	<u>SELF</u>	<u>SPOUSE</u>
Checking Account Balance(s) \$	\$	\$
Savings Account Balance(s) \$	\$	\$
Real Estate \$	\$	\$
Other Liquid Assets* \$	\$	\$

* Includes stocks, bonds, T-bills, CDs, money market certificates, mutual funds, savings bonds, other marketable securities, salable commodities.

(II) UNSECURED LIABILITIES

	<u>SELF (or joint)</u>		<u>SPOUSE (only)</u>	
	Total Liability Outstanding	Monthly Payment	Total Liability Outstanding	Monthly Payment
Personal Notes \$	\$	\$	\$	\$
Credit Cards \$	\$	\$	\$	\$
Open Accounts \$	\$	\$	\$	\$
Other (Specify)* \$	\$	\$	\$	\$

* Includes medical and legal, liens, garnishments, student loans, amounts payable in any incorporated business or profession activity, child or spousal support.

(III) SECURED LIABILITIES

	<u>SELF (or joint)</u>		<u>SPOUSE (only)</u>	
	Total Liability Outstanding	Monthly Payment	Total Liability Outstanding	Monthly Payment
Personal Notes \$	\$	\$	\$	\$
Credit Cards \$	\$	\$	\$	\$
Open Accounts \$	\$	\$	\$	\$
Other (Specify)* \$	\$	\$	\$	\$

* Specify first and second separately. Specify if more than one occupied residence.

** Any other pledged assets.

PLAN 006149

Social Security number

- -

Financial Summary

(continued)

(IV) OTHER REGULAR MONTHLY OBLIGATIONS

(averaged on a monthly basis if not paid monthly)

Rent \$ _____	Heating \$ _____	Property & Casualty Insurance \$ _____
Utilities \$ _____	Life Insurance \$ _____	Food \$ _____
Clothing \$ _____	Community Services \$ _____	Home Upkeep & Maintenance \$ _____

Is anyone else liable for the above liabilities? Yes No

If yes, do they make regular contributions to reduce these liabilities? Yes No

Give persons' names, liability and amount contributed: _____

(V) GROSS INCOME — MONTHLY

	<u>SELF</u>	<u>SPOUSE</u>
Salary	_____	_____
All Securities	_____	_____
Real Estate Rental	_____	_____
Other Employment	_____	_____

If your spouse's income, assets, and/or liabilities should not be considered for purposes of this application, please explain the basis for that determination:

⇒ **Reminder: A copy of last year's tax return must be submitted along with this application.**

The undersigned hereby affirms, under penalty of perjury, that the foregoing information is complete, true and correct.

Election For Withholding of State Income Taxes
(For Single Sum Payments and Rollovers of non-Roth money to a Roth IRA)

A. Mandatory State Withholding: If you reside in a state where state income tax withholding is mandatory **AR, CA***, **DC (mandatory for total single sum distributions only)**, **DE, IA, KS, MA, MD (mandatory for eligible rollover distributions only, subject to 20% mandatory federal withholding)**, **CT, ME, MI (see below)**, **NC, NE, OK***, **OR***, **VA** or **VT*** applicable withholding will be deducted automatically, unless an election out is applicable (see below). Note: Some states require withholding if federal income tax is withheld from the distribution.

If you are a resident of **IA**, have federal income taxes withheld, and receive one or more distributions totaling more than \$6,000 in the calendar year, **IA** income taxes are required to be deducted for the amount over \$6,000.

- My resident state is **AR, DE, KS, ME, NC, NE, or VA (for NE and VA, election out is allowed for payments from IRA's only)** and I do not want state income tax withholding deducted from my distribution. (An election out of **AR, DE, KS, ME, NC, or VA** state tax is not allowed for eligible rollover distributions, subject to 20% mandatory federal withholding.) **Important note to Maine (ME) residents. If you elect out of ME withholding, you must either have elected out of federal withholding, or have no Maine State tax liability in the prior or current years.**
- *My resident state is one of the following: **CA, OK, OR, **VT** and withholding is required if federal income tax is withheld, unless I elect out of state withholding. By checking this box I am electing out of state withholding. **An election out is not allowed for eligible rollover distributions, subject to 20% mandatory federal withholding.
- My resident state is **CT** and Prudential will withhold 6.99% on your taxable distribution. Please note that if you are not requesting a distribution of your entire account balance and if Form CT-W4P, *Withholding Certificate for Pension or Annuity Payments*, applies to you, please return Form CT-W4P as part of this distribution form. Form CT-W4P is available on the Department of Revenue Services (DRS) website, at www.ct.gov/DRS.

My resident state is **MI** and withholding of 4.25% is required, unless my payments are not taxable and I opt out.

- My resident state is **MI** and I would like to opt out of **MI** withholding. Note: Opting out may result in a balance due on your **MI 1040** as well as penalty and/or interest.
- My resident state is **MI** and if my payments are taxable, I wish to have **MI** state withholding based on the number of exceptions selected. I have entered the number of exemptions below:
_____ Enter the number of personal exemptions allowed on your Michigan Income Tax Return (MI-1040). The total number of exemptions you claim may not exceed the number of exemptions you are entitled to claim when you file your **MI-1040**. Withholding will be computed at the percentage determined by the state after subtracting your personal exemption allowances.
- My resident state is **MI** and I am requesting _____% additional **MI** state tax withheld from my payment. This amount must be a whole percentage.

B. Voluntary State Withholding: Please check the appropriate box below. If state income tax withholding is not mandatory in your state, you may be allowed to request state tax withholding. If your state of residence is not listed, or if you choose a method of withholding that is not offered for your state, we cannot withhold state income tax.

- I reside in one of the following voluntary withholding states: **AL, CO, DC (voluntary for partial and systematic distributions)**, **GA, ID, IA (voluntary if no federal tax withheld)**, **IL, IN, KY, LA, MD (non-eligible rollover distributions only)**, **MA (voluntary if no federal income tax withheld)**, **MN, MO, MS (voluntary except for early distributions)**, **MT, ND, NE, NJ, NM, NY, OH, PA, RI, SC, UT, VA, WI, WV (NE and VA state withholding is voluntary for payments from IRA's only)** and would like state income tax withheld. (Specify a percentage or dollar amount to be withheld.)
_____ % or \$ _____

- I reside in one of the voluntary withholding states listed above and I do not want state income tax withholding deducted from my distribution.

C. No State Withholding: Some states do not have state income tax withholding.

- My resident state is one of the following: **AK, FL, HI, NV, NH, SD, TN, TX, WA, WY** and there is no state income tax withholding.
- My resident state is **AZ** and there is no state income tax withholding on non-periodic (single sum) payments.

Electronic Funds Transfer (EFT)
(Complete this section only if you choose to have your payment sent by EFT)

If you would like your disbursement sent to you via Electronic Funds Transfer (EFT), please check the following box and complete the information below. You must also attach a voided check verifying your account number and routing number. If all of the necessary information is not provided or if this section does not apply to your disbursement request, a check may be made payable to you.

I would like my payment(s) sent by EFT.

Financial Institution name

Account number

Please verify the entire account number with your financial institution to ensure acceptance of payments.

Type of Account: Checking Savings

Financial Institution Routing/Transit/ABA Number

I have carefully read this form and I hereby authorize Prudential to make this Plan payment(s) to the financial institution listed above in the form of Electronic Fund Transfer (EFT). I understand Prudential is not responsible for any losses associated with incorrect information provided (e.g. wrong banking instructions). The credit will typically be applied to your account within 2 business days of being processed.

In the event that an overpayment is credited to the financial institution account listed above, I hereby authorize and direct the financial institution designated above to debit my account and refund any overpayment to Prudential. This authorization will remain in effect until Prudential receives a written notice from me stating otherwise and until Prudential has had a reasonable chance to act upon it.

Express Mail
(check box if applicable)

I wish to have my disbursement check sent by express mail. Therefore, please deduct \$25.00 per check from my account prior to the distribution. **Please Note:** Express mail is not available for delivery to post office boxes.

Your Authorization

I certify that the information I have provided is true and correct and will be relied upon in processing my request and the tax implications regarding this disbursement. I understand that any failure in this regard may jeopardize the ability of my employer to offer a plan and may subject me to disciplinary action, including severance from employment. I will be responsible for its accuracy in the event any dispute arises with respect to the transaction.

If there are investment options available through your retirement account that are subject to the fund's market timing policies, you may be subject to restrictions or incur fees if you engage in excessive trading activity in those investments. You may wish to review the fund prospectus or your retirement account's market timing policy prior to submitting this transaction request. If a fee applies to the transaction, you will be able to view the details after the transaction is processed by logging on to the retirement internet site at www.prudential.com/njsedcp.

X _____

Participant's signature

Date _____