

Re: Hardship Withdrawal

Dear Client:

The Internal Revenue Service permits withdrawals of the salary reduction amount contributed by participants only if there is an immediate and heavy financial need. If a participant wishes to make such a withdrawal, he/she should first be given the "Notice" explaining the requirements before a withdrawal can be made, and asked to sign the "Application" before a notary public. If the participant has not reached age 59½, IRS imposes a 10% penalty on the amount of the distribution.

Please note that the employee may not make contributions to the plan for 6 months following the Hardship Withdrawal.

If you have any questions, please contact us.

Sincerely,

EIP