**Section 2700.740 Unforeseeable Emergency**

a) A distribution of all or a portion of a Participant's Deferred Compensation Account or a change in method of distribution to a Participant shall be permitted in the event the Participant experiences an Unforeseeable Emergency.

b) Distributions shall not be made to the extent that the hardship is or may be relieved:

1) through reimbursement or compensation by insurance or otherwise;

2) by liquidation of the Participant's assets to the extent the liquidation of assets would not itself cause severe financial hardship;

3) by cessation of deferrals under the Plan; or

4) through receipt of a Loan under Section 2700.770.

c) A distribution pursuant to this Section shall not be permitted unless the Participant has first exhausted the amount otherwise available for a Loan under Section 2700.770, except to the extent the Participant can demonstrate in its hardship distribution application that receipt of a Loan would itself cause severe financial hardship.

d) For the purposes of this Plan, a Beneficiary whose interest has "vested" in accordance with Section 2700.415 shall have all rights of a Participant to request a distribution in the event of an Unforeseeable Emergency.

e) A Participant desiring a distribution by reason of a serious Unforeseeable Emergency must apply to the Recordkeeper and demonstrate that:

1) the circumstances being experienced were not under the Participant's control;

2) the circumstances constitute a real emergency that is likely to cause the Participant great financial hardship;

3) the Unforeseeable Emergency that is the subject of the request occurred no more than 24 months prior to the date of the request;

4) the amount of the need cannot be reasonably relieved:

A) through reimbursement or compensation by insurance or otherwise;

B) by liquidation of assets (including those of the Participant's spouse and minor children), to the extent the liquidation would not itself cause an immediate and heavy financial need;

C) by stopping elective contributions to the Plan;

D) following receipt of a Loan under Section 2700.770; or

E) by taking withdrawals from the plans maintained by the employer and any other company, or by borrowing from commercial resources on reasonable commercial terms; and

5) an Unforeseeable Emergency request form and 457 direct emergency withdrawal worksheet have been completed and submitted to the Recordkeeper, along with all documentation possessed by the Participant that supports the basis of the request.

f) The Recordkeeper shall have the authority to require medical or other evidence it may need to determine the necessity for Participant's withdrawal request. In the event this information is not provided, the case shall be considered closed 60 days after the date of the request for additional information.

g) The Recordkeeper shall reach its decision to process or reject the financial hardship withdrawal request, in accordance with Section 2700.315(f), within 30 days following receipt of the completed application and necessary information required by the application.

h) In the event the basis for the hardship does not fall into the guidelines established by Section 2700.315(f), the Recordkeeper shall forward all relevant information to the Hardship Committee for consideration and a final decision.

i) The Hardship Committee may request additional information from the Participant in order to make its decision on applications processed through either subsection (i) or (j). The Hardship Committee shall reach its decision within 30 days after receipt of the application and information necessary to reach a final determination.

j) If a Participant is not satisfied with the decision of the Hardship Committee on an application for an Unforeseeable Emergency distribution or change in distribution, the Participant may appeal in writing to the Board within 20 days after the mailing date of the Hardship Committee's decision.

k) The Board, or its duly appointed representative, shall, within 60 days after receipt of the appeal, conduct an interview with the Participant and review evidence presented by the Participant.

l) The Board or the Executive Committee of the Board shall then render a final decision within 30 days after the hearing that shall be binding on all parties.

m) If an application for an Unforeseeable Emergency distribution is approved, the distribution shall be limited to an amount sufficient only to meet the emergency, which amount shall not include any security interest for an outstanding Loan under Section 2700.770 or exceed the amount of the Participant's Deferred Compensation Account as of the Valuation Date next preceding or coincident with the withdrawal.

n) The allowed distribution shall be payable in a method determined by the Recordkeeper and shall commence as soon as possible, but not later than 30 days after notice to the Participant and the Department of approval of the request.

(Source: Amended at 47 Ill. Reg. 12412, effective August 4, 2023)