

# Loan, Hardship and Unforeseeable Emergency Procedures



Loans, hardship and unforeseeable emergency withdrawals are available from UT Saver 403(b) Tax Sheltered Annuity (TSA) and UT Saver 457(b) Deferred Compensation Program (DCP) accounts. All requests must be submitted to UT System Administration for review and approval. Loans, hardship and unforeseeable emergency withdrawals are only available to active employees from DCP and TSA accounts held at the five currently authorized retirement providers (VOYA, Fidelity, Lincoln, TIAA, and AIG Retirement). Loans, hardship and unforeseeable emergency withdrawals are not available from the Optional Retirement Program or the Teacher Retirement System.

TSA Loans—What you can take	DCP Loans—What you can take
<ul style="list-style-type: none"> <li>★ \$1,000.00 minimum loan amount</li> <li>★ Up to ½ of total TSA balance not to exceed \$50,000.00</li> <li>★ Defaulting on a loan prevents you from taking any future loan.</li> </ul>	<ul style="list-style-type: none"> <li>★ \$1,000.00 minimum loan amount</li> <li>★ Up to ½ of total DCP balance not to exceed \$50,000.00</li> <li>★ Defaulting on a loan prevents you from taking any future loan</li> </ul>
<p><b>Example:</b> If a participant has a total TSA account balance of \$12,000.00 and an outstanding loan for \$4,000.00, then only ½ of the remaining \$8,000 balance is available for a second loan. The maximum loan amount from all plans (TSA and DCP combined) cannot exceed \$50,000.</p>	
TSA Hardships	DCP Unforeseeable Emergencies
<p>All hardship claims must be proven. The following are potential hardship causes:</p> <ul style="list-style-type: none"> <li>★ Medical expenses for the participant, spouse or dependent not covered by insurance;</li> <li>★ Costs directly related to the purchase of a principal resident for the participant (excluding mortgage payments)</li> <li>★ Payment of tuition, related education fees, room and board for up to the next 12 months of post-secondary education for participant, spouse, children or dependents;</li> <li>★ Payments necessary to prevent eviction of participant from participant’s principal residence or foreclosure on mortgage of that residence</li> <li>★ Payments for burial or funeral expenses for participant’s deceased parent, spouse, children or dependents</li> <li>★ Expenses for repair of damage to principal residence caused by a declared disaster not covered by insurance.</li> </ul>	<p>All unforeseeable emergency claims must be proven. The following are potential unforeseeable emergency causes:</p> <ul style="list-style-type: none"> <li>★ Expenses for sudden and unexpected illness or accident of participant, spouse or dependent not covered by insurance;</li> <li>★ Funeral expenses of the participant’s spouse or dependent; and</li> <li>★ Expenses for repair of damage to principal residence caused by a declared disaster not covered by insurance.</li> <li>★ Other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the participants control.</li> </ul>
What you’ll need to claim a Hardship	What you’ll need to claim an Unforeseeable Emergency
<p>Provide documentation and any other proof available to UT System that the hardship cannot be relieved by any of the following:</p> <ul style="list-style-type: none"> <li>★ Reimbursement or compensation by insurance or otherwise;</li> <li>★ Liquidation of participant assets;</li> <li>★ Where it can relieve the expense, cessation of contributions under the plan;</li> <li>★ Loans from your TSA or DCP account;</li> <li>★ Borrowing from commercial sources on reasonable terms</li> </ul> <p>Loans and liquidation may not be required if such actions themselves cause or increase the hardship.</p>	<p>Provide documentation to UT System confirming the emergency causes listed above, and that the emergency cannot be relieved by any of the following:</p> <ul style="list-style-type: none"> <li>★ Reimbursement or compensation by insurance or otherwise;</li> <li>★ Liquidation of participant assets;</li> <li>★ Cessation of contributions under the plan;</li> <li>★ Loans from your TSA or DCP account;</li> <li>★ Borrowing from commercial sources on reasonable terms</li> </ul> <p>Loans and liquidation of assets may not be required if such actions themselves cause or increase the hardship.</p>
What to do	
<ol style="list-style-type: none"> <li>1) Contact your retirement provider for the Loan, Hardship or Unforeseeable Emergency withdrawal forms.</li> <li>2) Complete your portion of the forms and fax to UT Retirement Programs at 512-579-5016 or by mail to:                      The University of Texas System                      Attn: UTRetirement Programs                      210 W. 7th Street                      Austin, TX 78701</li> <li>3) If you are claiming a hardship from your TSA or an unforeseeable emergency from your DCP, make sure to include all the documentation listed above.</li> </ol> <p>UT System Office of Employee benefits will review your application and any documentation provided and will contact you directly once the review and determination are complete.</p>	