

OFDDA POLICIES

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LOSAP EMERGENCY DISTRIBUTIONS FOR BOTH ACTIVE PARTICIPANTS AND PARTICIPANTS WHO ARE SEPARATED FROM SERVICE

1.0 **PURPOSE**

The purpose of this Policy is to establish a policy and process for all Emergency Distributions from the LOSAP program administered by the Oregon Fire District Directors Association. Generally, a Participant must be Separated from Service for 180 days before any LOSAP Distributions will be disbursed. However, in the event of an Emergency (as defined below), both active Participants and Participants who have Separated from Service for less than 180 days may request and receive Emergency Distributions under the process outlined below.

2.0 **SCOPE**

This Policy applies to all persons who are Vested Participants in the Oregon Fire District Directors LOSAP program.

3.0 **GENERAL PROVISIONS**

- 3.1 Only the Oregon Fire District Directors Association Board of Directors may approve Requests for an Emergency Distributions.
- 3.2 Procedure for requesting an Emergency Cash Distribution.
 - 3.2.1 All requests for Emergency Distributions from a LOSAP account must first be approved in writing by the District or Department for which the Participant volunteers/volunteered.
 - 3.2.2 Any Participant who seeks an Emergency Cash Distribution must meet all Plan requirements, including the Vesting requirements adopted by the Participant's District or Department.
 - 3.2.3 If the Participant has Separated from Service, the District or Department must also verify in writing the Participant's Separation from Service as defined by the Plan Documents.
 - 3.2.3 If the Participant has not Separated from Service, the Emergency Distribution shall be limited to an amount reasonably necessary to satisfy the Emergency need.
 - 3.2.4 All Participants requesting Emergency Distributions may be asked to provide proof of the nature of the Emergency.

4.0 **GUIDELINES FOR GRANTING EMERGENCY DISTRIBUTIONS**

- 4.1 The OFDDA Board of Directors, in its sole discretion, may elect to provide an Emergency Distribution to a requesting Participant, subject to this policy.
- 4.2 If the Participant requesting the Emergency Distribution has Separated from Service, the OFDDA Board of Directors shall use these guidelines to determine whether to

waive the 180-day waiting period proscribed in Article 1.01, Subsection (h) of the Plan Document.

4.3 As used in this policy “Emergency” means a severe financial hardship to the Participant resulting from an unforeseeable event such as a sudden and unexpected illness or accident of the Participant (as used in this Section 4.0 “Participant” means a Participant or his or her designated beneficiary, dependent, or spouse); a loss or significant damage to Participant’s property because of casualty; or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The following are examples of hardships that may merit Emergency Distributions.

4.3.1 Unexpected and significant medical expenses including non-refundable deductibles and the cost of prescription drug medication not reimbursed by insurance.

4.3.2 Loss or significant damage to a Participant’s property due to catastrophe or casualty, or other similar extraordinary and unforeseeable circumstances.

4.3.3 Funeral expenses of a Spouse or Dependent.

4.3.4 Involuntary separation from compensated employment.

4.4 Some examples that typically do not constitute an unforeseeable emergency are:

4.4.1 Expenses associated with a legal separation or the dissolution of a marriage.

4.4.2 Reduction of debt or payment of overdue bills not related to an unforeseeable emergency.

4.4.3 Purchase of a home, normal home repairs, or cost of voluntary relocation of housing.

4.4.4 Participant college or other educational expense.

4.4.5 Elective medical procedures or those not medically required.

4.4.6 Establishing or maintaining a personal business.

4.4.7 Recreational expenses.

4.4.8 Travel expenses not associated with an unforeseeable emergency.

4.4.9 Usual and customary tax obligations.