

## How do distributions work?

Participants who have separated from service or who need to take a distribution due to age or financial hardship must request a distribution via the Sentinel website. The distribution option will only populate if the participant is eligible for a distribution.

### Distribution Steps:

- A one-page informational guide outlining the steps for a participant to request a distribution is available in the Reports section of the Plan Sponsor Website. You may provide this to a participant during their exit interview.
  - The payroll contribution file will identify terminated participants, enabling the option for these participants to request a distribution online. Active employees only have access to request a distribution if they are eligible and the plan permits it.
  - Participants request their distribution via the Sentinel website and input payment or rollover instructions as appropriate. Sentinel's Service Center representatives are available to provide guidance however are not authorized to submit requests on a participant's behalf.
  - As part of Sentinel's account security, the participant will be asked a series of multiple choice questions specific to themselves, similar to what you see for a lending or credit company.
  - Once the participant submits their distribution request, you will be notified by email to review the request including vesting and approve or deny the distribution online. Results from the security quiz and, if applicable, Factors for Review (key pieces of information about the participant and/or recent account activity) are available to help you with the approval authorization.
  - Upon approval, Sentinel will process the distribution. The Plan's paying agent will issue payment to the participant or rollover institution, remitting federal/state withholding and preparing Form 1099-R.
  - If a hardship withdrawal occurs, the participant must be suspended from making new contributions to the plan for a period of 6 months after taking a Hardship Withdrawal. You will receive a Hardship Suspension Report to update the payroll records. During the suspension period, the employee will not be able to elect a contribution rate online.
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