

\_\_\_\_\_  
**(Plan Name)**

**APPLICATION FOR PARTICIPANT LOAN**

Name: \_\_\_\_\_ **Amount Requested: \$** \_\_\_\_\_

Social Security No.: \_\_\_\_\_

I hereby apply for a loan from the \_\_\_\_\_ (Plan Name), (the 'Plan'). In support of this loan application, I have attached such information which the Administrator may require to determine whether I qualify for the loan. I also authorize the Administrator to secure any credit reports to determine my creditworthiness and ability to repay the loan.

In applying for this loan, I acknowledge that I have read the section of the Summary Plan Description governing Plan loans and have been furnished with a copy of the Participant loan program established by the Plan.

The amount of the loan requested is \$ \_\_\_\_\_ for a period of \_\_\_\_\_ months (if longer than 60 months, the purpose of the loan must be to acquire your principal residence).

I wish to have the monies for this loan to be withdrawn from my Plan account as follows (if no election is made, the monies will be withdrawn according to the most current contribution allocation election on file) [note: this is not applicable for Trustee directed investment accounts]:

Investment Fund	Dollar Amount/Percent	Investment Fund	Dollar Amount/Percent
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**IRREVOCABLE PLEDGE AND ASSIGNMENT**

In consideration of a loan to me by the Trustees of the Plan, as evidenced by a copy of the Promissory Note attached to this pledge, I hereby irrevocably pledge and assign to the Trustees of the Plan, or to their successor or successors, 50% of my vested interest, which may be necessary to satisfy the loan which is the subject of this pledge, any unpaid interest on such loan, all attorneys' fees necessary for collection of this obligation and all costs of collection. Failure by me to repay this loan when due or to pay any installment or interest when due shall authorize the Trustees to foreclose on any property or to bring a lawsuit to collect the outstanding indebtedness and interest on the indebtedness.

Should my employment terminate with \_\_\_\_\_ (Employer) for any reason while this obligation is unpaid and under circumstances in which the Trustees would ordinarily make a distribution from the Plan to me or to my named beneficiary, I authorize the Trustees to reduce the amount otherwise distributable to me or to my named beneficiary by this outstanding indebtedness, together with any accrued interest due on the indebtedness.

This Irrevocable Pledge and Assignment shall bind my heirs, personal representatives or other legal representatives.

Participant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Witness: \_\_\_\_\_

Plan Representative: \_\_\_\_\_

**SPOUSE'S CONSENT**

I hereby consent to the loan described above and to the above pledge of 50% of my spouse's vested interest under the Plan as collateral and security for the loan. I understand that if I am the beneficiary of my spouse's vested interest, the amounts payable to me as such beneficiary will be reduced by the amount of any unpaid balance on the loan, plus interest, outstanding at the time of such payment.

Spouse's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Plan Administrator or Notary Public: \_\_\_\_\_

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**(Plan Name) ("Holder")**

**PROMISSORY NOTE**

Participant (Borrower) Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Amount of Note: \_\_\_\_\_ dollars \$ \_\_\_\_\_

Interest Rate: \_\_\_\_\_ (as stipulated by the Plan, per annum)

Payment Period: \_\_\_\_\_ (not to exceed 60 months, unless the purpose of the loan is to acquire your principal residence)

Payment Frequency: \_\_\_\_\_ (weekly, bi-weekly, semi-monthly, monthly, quarterly)

Payment Amount: \$ \_\_\_\_\_

FOR VALUE RECEIVED, the undersigned (the Borrower) promises to pay to the order of the Trustees of the \_\_\_\_\_ (Plan Name) ("the Plan") the loan, together with interest on the unpaid balance as indicated above, through payroll deduction, at the legal business address of \_\_\_\_\_ (Employer Name), unless other specific repayment arrangements are agreed upon in writing, acknowledged by the Trustees of the Plan.

At the option of the Holder of this Note until payment in full or maturity, upon default, all monies payable under this Note are due and immediately payable. The Note is in default if any payment remains unpaid beyond the last day of the calendar quarter following the calendar quarter in which the BORROWER missed the scheduled payment. Also, all monies payable under this Note are due and immediately payable on the date of termination of employment (unless the BORROWER is a "party in interest" as defined in the Employee Retirement Income Security Act of 1974) or upon termination of the Plan.

The BORROWER may prepay the loan without penalty. Each payment first applies to the payment of accrued interest and the balance of each payment applies to the payment of principal.

The BORROWER secures this loan by a pledge and irrevocable assignment of his/her vested interest in \_\_\_\_\_ (Plan Name).

If the BORROWER does not pay this Note when due, the BORROWER promises to pay all costs of collection and reasonable attorneys' fees incurred by the HOLDER of this Note on account of such collection, whether or not the HOLDER files suit on this Note.

Participant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Witness: \_\_\_\_\_