

Retirement Account Loan Request

This guide includes:

-) FAQs
-) Application Checklist
-) Loan Application
-) Terms & Conditions



Dealing with unplanned expenses

Access to your retirement account savings when you need it.

Frequently Asked Questions

IMPORTANT: Please verify with your Plan Sponsor as to whether or not loans are in fact available for your plan/account type. They may have additional requirements/limitations. All information contained in this application is meant to act as a general guide to the loan process for a variety of retirement accounts. It may or may not pertain to your specific plan/account.

Q How much may I borrow from my retirement account?

A You may borrow up to the lesser of 50% of your retirement account balance or \$50,000. Furthermore, IRS regulations require that the \$50,000 limit be reduced by the highest outstanding loan balance of any loan from all plans held under the employer in the last 12 months. The minimum you may borrow may vary depending on Plan Provisions. Please refer to the Terms and Conditions for further details.

Q How often may I borrow from my account?

A You may request a loan at any time. You are permitted a maximum of two outstanding loans at any one time with FPS Trust Company, LLC ("FPS"). However, your Plan may restrict the number of outstanding loans to one.

Q What is the interest rate on the loan?

A Your loan's interest rate will be equivalent to the federal prime rate plus 1% on the day of the loan's approval. This interest rate will be fixed for the duration of your loan. All interest paid is reinvested into your account.

Q How quickly must I repay the loan?

A You must repay the loan in equal monthly installments. In most cases, your loan repayment period is five years. If the loan is used to purchase a principal residence, the loan period may be extended for up to 15 years. You are permitted only one primary residence loan at a time. Your first monthly payment is due 30 days following the issuance of your loan check. You can repay the entire loan balance without a penalty at any time. Your loan must be fully repaid by the time you attain your Required Beginning Date (RBD) to begin taking your Required Minimum Distributions (RMDs).

Q How do I repay my loan each month?

A For your convenience, payments will be automatically deducted from your checking or savings account on the 15th business day of each month. Please refer to the loan application for instructions on how to establish automatic monthly payments. Loan repayments may also be made through payroll deductions if supported by your employer. In some plans your employer may mandate loan repayment via payroll deduction.

Q What happens to my loan repayment if I've exchanged into a different investment within my account?

A If you have exchanged all or part of your assets into a new investment, loan repayments will be reinvested per your current investment election instructions.

Q What happens if my loan is not repaid?

A Any loan will be considered in default if a repayment is not received within 90 days of the issue date. If you default on your loan repayments, the outstanding balance of your loan will be reported to the IRS as a “taxable distribution” and will be subject to taxation and possible early withdrawal penalties. Please refer to the section titled “Repayment of a Defaulted Loan” in the attached Terms and Conditions document for details. Once you have defaulted on any loan from your account, you can no longer borrow from your FPS Trust Company Custodial Account. An outstanding defaulted loan may prohibit the taking of loans in any other account or plan with your employer.

Q Is there a setup fee for the loan?

A The fee for each loan is contingent on the plan provisions. If allowed by the plan account agreement, the fee will automatically be deducted from your account before your loan redemption is processed. A setup fee applies ONLY if you are transferring an existing loan from another retirement account.

Q How do I apply for a loan?

A Just complete the enclosed loan application and send it to your employer’s designated administrator:

TSA Consulting Group, Inc.
ATTN: Loan Processing
P.O. Box 4037
Fort Walton Beach, FL 32549

Or FAX to: (866) 741-0645

Please check with your employer or designated administrator to see if any additional paperwork is required. Your employer or designated administrator must approve the loan.

Q How does the loan process work?

A Upon receipt of the loan application, FPS will process the redemption immediately. By signing the loan application, you will be agreeing to all the terms and conditions of the loan. You will be sent a Promissory Note/Loan Disclosure Statement, which will document all pertinent information regarding the loan. All loan amounts will be sent directly to your bank by Electronic Funds Transfer (EFT), unless you request otherwise.

Q What if I have more questions?

A Talk to your financial advisor or call TSA Consulting Group at (866)planb86 (866-752-6286).

Note: An account owner considering a loan should consult a tax advisor. FPS cannot assume responsibility for any possible penalties or tax liability that might be incurred as a result of a loan. It is very important that you carefully review the attached Terms and Conditions, which contain more detailed information regarding the FPS loan provision.

Retirement Account Loan Request Checklist



At FPS Trust Company, LLC (“FPS”), we understand that unexpected circumstances or emergencies could require immediate access to your retirement account savings. That’s why the FPS retirement account contains a loan feature that allows account owners to borrow from their account, for any reason, while maintaining the favorable tax status of their savings.

Please check with your employer regarding loan eligibility and approvals required to process this request. A “Loan Application Form” must be approved and signed to the Employer/Plan Administrator to process a loan from your Plan Account.

- STEP 1** **Participant Information** - All information in this section must be completed.
- STEP 2** **Employer Information** - All information in this section must be completed.
- STEP 3** **Loan Amount** - Minimum and maximum loan restrictions. Select only one option.
- STEP 4** **Loan Duration** - Select only one duration option. Please review carefully.
- STEP 5** **Payment Options** - Select the payment option. Different requirements may be applicable depending on your payment instructions. Please review carefully.
- STEP 6** **Repayment** - Loans **MUST** be repaid via automatic Electronic Funds Transfer (EFT) on a monthly basis or through payroll deduction if mandated by your plan.
- STEP 7** **Signature & Acceptance** - Signatures **REQUIRED** for the following:
 - Participant
 - Employer/Plan Administrator

Signature Guarantee **mandatory** on Participant Signature if check mailing instructions are to a third party address.

Please review the above before you submit your request.

Incomplete forms will not be processed and will be returned to the client.

Thank you,

FPS Trust Company

Retirement Account Loan Application Form

Indicate the account type: 403(b) 457

STEP 1 Account Holder Information

<input type="text"/>	<input type="text"/>	<input type="text"/>
First Name	Last Name	M.I.
<input type="text"/>		<input type="text"/>
Home/Legal Street Address (P.O. Boxes not accepted)		Apartment/Suite
<input type="text"/>	<input type="text"/>	<input type="text"/>
City	State	Zip
<input type="text"/>	<input type="text"/>	<input type="text"/>
Daytime Telephone Number	Evening Telephone Number	Email Address*
<input type="checkbox"/> Single <input type="checkbox"/> Married	<input type="text"/>	<input type="text"/>
Marital Status	Social Security Number	Date of Birth (month day year)
		Date of hire (month day year)

*By providing your email address, you consent to receiving notifications regarding your loan via email. If no email is provided communications will be sent via USPS.

STEP 2 Employer Information

<input type="text"/>	<input type="text"/>	
Employer	Occupation/Position	
<input type="text"/>		
Employer Address		
<input type="text"/>	<input type="text"/>	<input type="text"/>
City	State	Zip
<input type="text"/>	<input type="text"/>	<input type="text"/>
Contact Name	Title	Phone Number

STEP 3 Loan Amount

The minimum loan amount is determined by the Plan Provisions. You may borrow up to the lesser of \$50,000 or 50% of your retirement account balance, subject to certain IRS restrictions.¹ The \$50,000 limit may be further reduced if you previously borrowed from your retirement account.

Please complete only one of the following:

- Maximum Loan Amount
- Amount of Loan Requested: \$ _____

Have you defaulted on a loan from any other retirement account? Yes No

1. If you have other retirement accounts with this employer, or if you are a participant in another type of employer retirement plan offering loans, it is important to note that the loan limits imposed under IRC 72(p) apply to all plans of the employer. Thus, you must be sure to avoid multiple loans that, collectively, would exceed the overall limit.

STEP 4 Loan Duration

Loans are generally payable within one to five years. Only loans used to purchase a primary residence may have a duration of up to 15 years—see Terms and Conditions for details. If no selection is made here, the loan duration will be five years and cannot be modified after submission of this form. All loans are repaid monthly.

Five Years: Yes No

OR Other Duration (in Years) _____

Will your loan be used to purchase a primary residence? Yes No

If you chose Yes, please indicate the loan duration (in Years) _____ (Maximum is 15 years)
If blank, default is 15 years.

Please send the completed form and all required supporting documents to: TSA Consulting Group, ATTN: Loan Processing, P.O. Box 4037, Fort Walton Beach, FL 32549 or FAX to: (866) 741-0645.

STEP 5

Payment Options

Please select **ONLY** one payment option below:

- Make check payable to the Employee and mail to the Employee's address of record.
- Mail check to third party address (Signature Guarantee required in Step 10)

Street Address (Including apartment or P.O. Box number)		
City	State	Zip

- Send payment via Electronic Funds Transfer (EFT) - (Allow 2-3 business days to receive your proceeds.)
To Bank:

Bank Name		
Name(s) on Bank Account	<input type="checkbox"/> Checking	<input type="checkbox"/> Savings
Bank Address		
City	State	Zip

Name	

Pay to the order of _____ \$ <input type="text"/>	

Please staple your check here.	
Routing Number	Account Number
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

STEP 6

Repayment

Select how the loan repayment is to be made. Please note your employer may require for loan repayments to be made through payroll deductions. If you are unsure of the loan policy for your Plan please contact your benefits administrator.

Payroll Deductions (applicable only in 401(k) plans)
I, the borrower, hereby authorize the employer to deduct from my paychecks the amount specified in the promissory note/loan disclosure statement for the number of payments specified or until all principal and accrued interest on the loan is entirely repaid. I understand that it is my responsibility to establish a first payment date and initiate payroll deductions.

Electronic Funds Transfer (EFT)
Include a preprinted voided check/deposit slip. We cannot establish repayment without pertinent bank information. Your bank account will be debited on the 15th business day of the month. Please allow 10 days to process initial debit from your bank account.

In the event that any of my repayments are returned due to insufficient funds, FPS may immediately attempt to collect the full amount by presenting my authorization a second time to my original banking institution plus a NSF fee of \$30.

Please choose from the following options to establish loan repayments via electronic transfer from your bank account.

- Check here if check information is the same as Step 5**
- Checking account. If drafting from your Checking account, please attach a preprinted voided check.**
- Savings account. If drafting from your Savings account, please attach a preprinted deposit slip.**

From Bank:

Bank Name		
Name(s) on Bank Account		
Bank Address		
City	State	Zip

Name _____

Pay to the order of _____ \$

Please staple your check here.

Routing Number

Account Number

STEP 7

Signature & Acceptance

I hereby certify that I have received and read the Terms and Conditions for obtaining a loan from my FPS retirement account. I understand that I will pay a \$100 loan initiation fee. I hereby promise to pay to the order of the Lender (the word Lender means Plan trustee(s) or designated custodian of the FPS retirement account), the principal sum specified in Item 2 of this application (referred to as the loan amount), with interest on the principal balance remaining from time to time unpaid at the per annum rate, in consecutive, equal monthly installments of principal and interest beginning one month after receipt of the loan dollars and continuing thereafter until paid (according to the disclosure statement that will be sent to me after my loan is made). All payments shall be applied first to the payment of interest due hereunder and second to unpaid principal of the loan amount. All payments will be sent to FPS.

This note is being made pursuant to and shall be governed by the terms of the Plan loan policy and the FPS Custodial Agreement which are hereby incorporated herein by reference, and the determination of whether a failure to pay any installment of the principal and interest when due in accordance with the terms of this note constitutes a default shall be determined according to the terms of the Plan and/or Custodial Agreement.

I hereby certify that by signing and submitting this application, I understand and signify my agreement to borrow money in the amount and according to all other terms set forth on this application and the Terms and Conditions. I have received a copy of this Agreement and the Terms and Conditions. I understand that a Promissory Note and Disclosure Statement will be provided to me with specific information about my loan and the repayment obligation. I have read and understand all terms of this Agreement which include the provisions included with this note, and I agree to be bound by them.

I further certify that I do not have any outstanding loans in this or any other retirement account program that are either already in excess of or will be in excess of the maximum loan limitations upon commencement of this loan request as set forth in Section 72(p) of the Internal Revenue Code.

I waive any and all obligations the Lender may have to present this Agreement for payment, to make demand for payment, or to give notice of dishonor. I agree that this loan is made under applicable state and federal law. If I am in default, this Agreement may be enforced in any Colorado court that has jurisdiction and I agree to submit to the jurisdiction of that court regardless of where this Agreement is signed. I agree to pay any tax or fee charged by any governmental body in connection with this loan.

I hereby submit this Loan Application and Agreement to borrow under my FPS retirement account.

PARTICIPANT SECTION

I hereby affirm that the information given is true and correct, and I authorize and direct FPS Trust Company, LLC ("FPS") to make distributions according to the instructions provided on this form. In addition, by signing this form, I understand and acknowledge that (i) my employer may be required to execute any and all other documents, and to provide and/or share any and all other information, necessary to comply with the applicable section of the Internal Revenue Code and the final regulations promulgated there under and (ii) there is the risk that if my employer and/or the plan is not in compliance with Internal Revenue Code and the final regulations promulgated there under that the distribution being made by FPS under this form may be considered a disqualifying event by the Internal Revenue Service and reportable by FPS. I acknowledge I will be charged a Loan Initiation Fee as specified in the plan provisions for my account. In the event that any of my repayments are returned due to insufficient funds, FPS may immediately attempt to collect the full amount by presenting my authorization a second time to my original banking institution plus a NSF fee of \$30.

▶ PARTICIPANT SIGNATURE

□□-□□-□□□□
Date (month | day | year)

Each signature of shareholder must be guaranteed by a bank, broker-dealer, savings and loan association, credit union, national securities exchange or any other "eligible guarantor institution" as defined in rules adopted by the Securities and Exchange Commission. Signatures may also be guaranteed with a medallion stamp of the STAMP program or the NYSE Medallion Signature Program, provided that the amount of the transaction does not exceed the relevant surety coverage of the medallion. A signature guarantee may not be obtained through a notary public.

▶ AUTHORIZED SIGNATURE (STAMP AND TITLE)

□□-□□-□□□□
Date (month | day | year)

SPONSOR SECTION

IMPORTANT: FPS may require the Employer to certify factual information within its knowledge as employer prior to making any distributions to the Employee (or the Beneficiary) from the Account. Employer/Designated Administrator for the above referenced retirement account, approves the above requested loan based on it satisfies the terms of the retirement account and the Internal Revenue Code statutory and regulatory requirements and terms of the Written Plan Document. The information provided in connection with this request is true and accurate. Furthermore, the individual signing this form on behalf of the employer referenced below hereby represents and warrants that he/she is duly authorized to execute this form on behalf of the employer and to legally bind the employer to the terms and conditions stated herein.

▶ PLAN SPONSOR / ADMINISTRATOR SIGNATURE

□□-□□-□□□□
Date (month | day | year)

Each signature of shareholder must be guaranteed by a bank, broker-dealer, savings and loan association, credit union, national securities exchange or any other "eligible guarantor institution" as defined in rules adopted by the Securities and Exchange Commission. Signatures may also be guaranteed with a medallion stamp of the STAMP program or the NYSE Medallion Signature Program, provided that the amount of the transaction does not exceed the relevant surety coverage of the medallion. A signature guarantee may not be obtained through a notary public.

▶ AUTHORIZED SIGNATURE (STAMP AND TITLE)

□□-□□-□□□□
Date (month | day | year)

Please send the completed form and all required supporting documents to: TSA Consulting Group, ATTN: Loan Processing, P.O. Box 4037, Fort Walton Beach, FL 32549 or FAX to: (866) 741-0645.

Terms & Conditions

FPS Trust Company, LLC (“FPS”) account owners have the ability to borrow from their retirement accounts in accordance with the following Terms and Conditions.

ELIGIBILITY

Any FPS account owner who is a current employee of the employer and has not previously defaulted on a loan from his/her retirement account may obtain a loan from his/her FPS account prior to his/her Required Beginning Date (RBD) for Required Minimum Distributions (RMDs). Only one loan may be taken each calendar year. You may have a maximum of two outstanding loans at a time. Account owners may only have one outstanding principal residence loan at one time.

MAXIMUM AMOUNT

The maximum loan amount is up to the lesser of 50% of your retirement account balance or \$50,000. The \$50,000 limit is reduced by the highest outstanding loan balance in existence in any plan of the employer at any time during the last 12 months. All funds must clear escrow before they can be applied to your maximum eligible loan amount. The account owner's entire account balance in all share classes and account types will be included in determining your loan maximum.

MINIMUM AMOUNT

The minimum loan amount is determined by the Plan Provisions. Loan amounts will be rounded down when requesting the maximum loan amount.

FREQUENCY

Account owners may enter into a loan once each calendar year. The sum of all outstanding loans in all plans of the employer can never exceed the maximum loan limits outlined above. There may be no more than two outstanding loans at a time.

LOAN PROCEDURE

Upon receipt of the loan application, FPS will process the redemption immediately and send this directly to your bank through ACH, unless you have selected otherwise. By signing the loan application you will be agreeing to all the terms and conditions of the loan. You will be provided a Promissory Note/ Loan Disclosure Statement for each loan, which will document all pertinent information regarding the loan. A fee of \$100 for each loan will be taken at the time the liquidation is processed.

LOAN DURATION

The duration of the loan should not exceed five years. The loan will be amortized over the period of the loan duration and repaid in equal installments. However, the loan may be amortized over a period up to 15 years in the event that loan proceeds are utilized to acquire the account owner's principal residence, and if each monthly payment is at least \$25. The account owner may elect to repay the loan in full without penalty at any time.

RATE OF INTEREST

The fixed rate of interest for each loan will be equivalent to the federal prime interest rate plus 1% on the day prior to the loan's approval. The rate will be fixed for the duration of the loan. All interest paid is reinvested into the account owner's account.

LOANS FROM SHARE CLASSES THAT HAVE CDSC

With all loans taken from assets invested in shares of a fund subject to the applicable contingent deferred sales charge (CDSC), the CDSC will be assessed against the gross amount of your loan distribution. However, for loan repayment and tax reporting purposes, the loan amount will be the amount of the loan distribution less the amount of the CDSC assessed. Loans repaid to Class B or C shares will be processed as new purchases. This will result in commissions being paid to the broker of record and the CDSC period will begin again on all loan repayments.

REDEMPTION FEES

A 2% redemption fee may apply to redemptions (or exchanges out) that are made within 30 days of purchase (or exchange in) from the certain funds in

which your account is invested. For more information on this fee and how it may affect your transaction, read the fund's prospectus or speak with your financial advisor. Refer to share class information for contingent deferred sales charge (CDSC).

REPAYMENT

The loan must be repaid in equal monthly installments, starting 30 days following the issuance of the loan. Payments will be made directly from payroll deductions or from the account owner's checking account via ACH draft into the FPS retirement account. A separate ACH draft will occur for each account type. Account owners will not receive a monthly bill or coupon. Account owners will not be permitted to renegotiate outstanding loans or consolidate multiple loans into one aggregate loan. We will not process payment amounts less than the monthly installment payment. Account owners submitting late repayments must remit the full outstanding amount due to make the loan current. Any outstanding loan balance must be fully repaid by the account owner's RBD. In the event of the participant's death, only the spouse as beneficiary has the right to repay the loan. The spouse is allowed to repay the loan in a lump sum amount only. We do not allow consolidation or refinancing of loans.

REINVESTMENT OF LOAN INSTALLMENT PAYMENTS

All installment payments are reinvested into the account owner's account at the fund's NAV on the reinvestment date in the same manner as purchases, as described in the prospectus. If Plan assets have been fully or partially exchanged into another account, loan repayments will be reinvested in the original account. If you have fully exchanged into a new account, you must notify us if you want the repayments to move to the new account.

DEFAULT

Any loan will be considered in default if a payment is not received within 90 days from the original due date. No extensions are permitted. At that time, another notice will be sent to the account owner indicating that the loan is in default. The outstanding balance of the loan is then considered a "taxable distribution" and will be reported as such to the IRS and will be subject to taxation. An account owner who defaults on an outstanding loan is ineligible to obtain any additional loans from the FPS retirement account.

REPAYMENT OF A DEFAULTED LOAN

Traditional account owners have the right to repay their FPS defaulted loan incurred with their current employer. Account owners must submit a defaulted loan repayment form and are required to sign a repayment agreement and pay another \$100 loan initiation fee. Account owners who have separated from service from the employer under which the loan was taken or attained age 59½, may not repay the defaulted loan. The repayment amount will be based on the original defaulted loan plus accrued interest from that date to the date of repayment. This balance may be paid back over the time left on the outstanding loan (i.e., five-year loan defaulted at 24 months, 36 months remaining in the repayment period). At the time repayment begins, the loan will be recalculated at the current interest rate based on the outstanding loan amount plus accrued interest. The repayment amount will also include accrued interest for the remaining period. All default repayments must be made directly from the account owner's checking account via ACH draft into the fund selected on the loan application. Repayments of the defaulted loan amount will be tracked separately as after-tax dollars. If one payment is missed, the account owner loses the right to repay that particular defaulted loan. If you have multiple defaulted loans you must repay each one separately. You may not take an additional loan if you repay a defaulted loan.

PLAN DISTRIBUTION

An account owner may take a distribution due to a qualifying event including financial hardship, disability, in-service withdrawal for employees over age 59½, separation of service and RMD. It is very important to note that if you begin taking your RMD, the outstanding loan balance must be included in determining how much you must distribute annually. FPS is unable to include the outstanding loan amount in an RMD calculation. You must continue to repay a loan after a qualified distribution. In the event of the death of the account owner, a beneficiary may distribute the remaining assets. Only a spouse beneficiary may repay the loan in a lump sum payment. If not repaid, the outstanding balance

will be reported to the IRS under the Social Security number of the original account owner. Distributions taken from repaid defaulted loan amounts will be taken from after-tax dollars before pretax dollars. Account owners who are in default on their loan repayments will be subject to taxation on the entire amount of the outstanding balance and may jeopardize the tax-exempt status of their accounts. These loans will now be "secured," therefore any other loan, withdrawal or distribution that may cause the total account balance to be less than the current outstanding loan amount is not permitted.

QUALIFIED DOMESTIC RELATIONS ORDERS

In the event the retirement account is to be divided pursuant to a properly executed Qualified Domestic Relations Order (QDRO), it remains the account owner's responsibility to continue to make loan repayments in accordance with the terms of this agreement. In addition, separation of assets may not be permitted if it would cause the outstanding loan to become unsecured.

LOAN TRANSFERS

The account owner may transfer loan obligation(s) from another retirement account to the FPS retirement account upon receipt of written approval of the resigning plan custodian. The resigning custodian must also provide the following information to FPS: the interest rate used to calculate the loan, origination date of the loan, type of loan (residential or other), original loan amount and loan balance at time of transfer. Account owners will be required to sign a new loan note with FPS and will be assessed the one-time loan initiation fee of \$100. All repayments will be remitted via ACH. FPS will accept up to two outstanding loans at a time. Accounts that have had defaulted loans may be transferred to FPS only if the loan has been fully repaid prior to transfer. The unpaid or partially repaid defaulted loan obligation(s) must remain at the originating retirement account. Account owners may transfer their loan obligation(s) to a new retirement account provider if the accepting company submits in writing it is willing to assume this obligation. FPS will provide detailed information on the loan(s) to the accepting provider upon request. If you wish to take a new loan at FPS once you have transferred a loan to us, we will require a listing of the prior 12 months loan balance history and payments in order to calculate the maximum amount available.

DISCLAIMER

Current tax regulations provide that a loan from the retirement account will not adversely affect the tax-exempt status of the account or be treated as a taxable distribution, provided the loan amount is within the maximum amount permitted by the Plan and repayments are made strictly in accordance with the loan documents. However, FPS does not assume any responsibility or liability for any adverse tax consequences incurred by an account owner as a result of a loan from the Plan. Account owners who desire to borrow from their accounts should confer with their attorneys or tax advisors before entering into a loan agreement. FPS reserves the right to amend, modify or terminate the retirement account loan provision at any time, without prior notice, to impose additional requirements and to refuse a loan to any account owner at its sole discretion.