



# Continental Micronesia, Inc. 401(k) Savings Plan Retirement Plan Loan Request Form

The following documents must be submitted in order to process your loan request. If documents are incomplete upon submission, all documents will need to be re-submitted.

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|--|--|
| <input type="checkbox"/> This form, completed and signed<br><input type="checkbox"/> If a Principal Residence Loan, supporting documents are required<br><input type="checkbox"/> A valid photo ID, such as Driver's License or Passport | <input type="checkbox"/> If loan amount is to be sent to you electronically (via ACH), provide a voided check or certification/letter from your bank on bank letterhead with your name, routing number, account number, and account type (checking or savings) |
|--|--|

Your Name (Last Name, First Name)	Social Security Number	EE#
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Mailing Address

Contact Number(s)	Email Address
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*Text Message Notifications: \_\_\_\_\_ Please initial here if this is a mobile number capable of receiving text message notifications. With your initials, you acknowledge that message and data rates may be charged to you by your carrier.*

## A. LOAN DETAILS

1. This is a request to borrow \$ \_\_\_\_\_ from my account in the Continental Micronesia, Inc. 401(k) Savings Plan. If this amount is more than the maximum available to me, I request a loan for the maximum amount available (minimum amount: \$1,000).
  
2. The purpose of this loan request is:
  - PRINCIPAL RESIDENCE LOAN** to acquire my primary residence (minimum term: 12 months, maximum term: 120 months)
  
  - PERSONAL LOAN** (minimum term: 12 months, maximum term: 60 months)
  
3. I am applying for a **NEW LOAN**. I want to repay the loan in equal installments over a term of \_\_\_\_\_ months (Please refer to the Payment Chart below.)

LOAN TERM	BI-WEEKLY (BW) Payment Options	SEMI-MONTHLY (SM) Payment Options
12 months (1 year)	BW – 26 payments	SM – 24 payments
24 months (2 years)	BW – 52 payments	SM – 48 payments
36 months (3 years)	BW – 78 payments	SM – 72 payments
48 months (4 years)	BW – 104 payments	SM – 96 payments
60 months (5 years)	BW – 125 payments	SM – 115 payments
120 months (10 years)	BW – 255 payments	SM – 240 payments
Other: _____ months	BW – _____ payments	SM – _____ payments

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Your Name (Last Name, First Name)

EE#

## LOAN TERMS

I understand that: (1) Plan loans will be repaid through regular payroll deductions as long as there is a loan balance in my account, however if I am not receiving compensation through payroll and there is a loan balance in my account, it is my responsibility to repay the loan directly to ASC Trust, as trustee, by check or money order; (2) the loan interest rate is at \_\_\_\_\_% (interest rate is set as prime rate +1%, based on the rate published at the beginning of each quarter, and fixed for the life of the loan), (3) when the loan is authorized, I will receive a check or ACH payment as I am instructing herein (4) by signing this form with the Promissory Note, I agree in full to the terms and conditions of the Promissory Note; (5) if the terms and conditions of the loan are not acceptable to me, I will return the loan check and all documentation to ASC Trust, and the money will be returned to my account; (6) loan prepayment, in full, is permitted at any time; (7) any unpaid balance is due on the day my employment ends and could become taxable if not repaid at that time; (8) the loan will be funded through withdrawals from my applicable contribution accounts, divided proportionately among my investment funds; (9) my loan payment will be reinvested according to my fund selections at the time the payment is received; (10) I will be charged interest on the outstanding principal balance; (11) a loan disbursement fee of \$15.00 for check payment or \$10.00 for ACH payment will be charged against my loan; (12) there is an annual loan maintenance fee of \$25.00 billed the first quarter of each plan year for each loan outstanding at the end of the previous plan year.

## PROMISSORY NOTE

**Loan terms.** I promise to pay **ASC Trust LLC**, as Trustee of the Plan, the principal amount plus interest. The interest on the outstanding principal balance will be based on the loan policy. I will repay my loan according to the Amortization Schedule. Please refer to the Amortization Schedule for the breakdown of the principal and interest per pay period and over the full term of the loan. My account investments will be sold as needed to fund my loan. The interest portion on my loan payments will be credited to my account. I agree to the conditions in this Promissory Note.

**Late charges.** There are no late charges

**Prepayment.** There is no penalty for paying off your loan early.

**Call provision.** Unless otherwise stipulated in the loan policy, the total unpaid balance will become due immediately if your employment with the Company ends or the Plan is terminated. If you do not repay the balance, it will be treated as a Plan distribution, subject to taxes and penalties as described below.

**Security.** The funds in your Plan account will act as security for your loan (I hereby grant a security interest in my account for that purpose.) If you do not repay the loan, the loan principal and any interest you still owe will be subtracted from your account total.

**Payment authorization.** Each payment will be taken from my wages or salary through payroll deductions collected by my employer and sent to ASC Trust LLC. Payments will be applied first toward interest due. The rest of each payment will lower the remaining principal balance. Any unpaid interest and principal will become due on the "final payment due date" shown in the payment schedule above. Also, I understand that a quarterly loan maintenance fee will be charged to my account.

**Tax consequences of defaulting.** If I fail to repay the loan under the terms of the Note, the Trustee may report the unpaid balance to the proper tax authority as a taxable distribution. If I am under age 59-1/2 at the time the loan becomes a taxable distribution, a 10% early withdrawal penalty may apply.

**Prevailing authority of the Plan.** The Promissory Note has been drafted in accordance with the Plan's loan provisions, which are hereby incorporated as part of the Note by reference. This includes the requirement that, if the loan is scheduled to be repaid over a period exceeding 60 months, the borrower certifies that the proceeds will be used to acquire his or her primary residence. If this Note and any provision of the Plan are found to be inconsistent, the Plan shall prevail.

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Your Name (Last Name, First Name) \_\_\_\_\_

EE# \_\_\_\_\_

## B. PAYMENT INSTRUCTIONS

I elect for the loan to be paid to me in the form of a:

Check issued to me.

Direct Deposit (ACH) to my bank account. I have attached a voided check or bank certification that contains the valid routing number and bank account number. I have also provided my physical address as required by the bank.

MY PHYSICAL ADDRESS: \_\_\_\_\_

BANK NAME: \_\_\_\_\_

Savings Account # \_\_\_\_\_ Routing # \_\_\_\_\_

Checking Account # \_\_\_\_\_ Routing # \_\_\_\_\_

By electing a Direct Deposit (ACH) and by signing below, I hereby authorize **ASC TRUST LLC (ASC)** to 1.) initiate credit entries to the depository financial institution named above; and 2.) to initiate debit entries to adjust for processing errors. I understand that a \$30.00 fee will be charged to my payout for any ACH payments rejected due to closed bank account or erroneous bank account info provided to ASC. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of U.S. law.

**FOR LOAN VALUE RECEIVED, I agree to 1.) the full terms and conditions of the Promissory Note and 2.) the Amortization Schedule showing the principal amount, interest rate, finance charge, payment amount, start date, and maturity date.**

## C. Participant Signature

## Plan Administrator Signature

*By signing this form, I authorize implementation of the above instructions. I understand that the loan will be funded through withdrawals from my eligible retirement account, divided proportionately among my investments funds unless I provide other instructions to ASC Trust LLC. I further understand that my loan payments will be reinvested according to my fund selection at the time the payment is received.*

*I have reviewed this loan request and certify that it conforms to the terms of the Plan. ASC Trust LLC is authorized to comply with this request by (1) preparing the loan documents for the participant's execution and (2) issuing a check or ACH direct deposit representing the loan proceeds. The company will initiate payroll deductions as detailed on the Promissory Note and Amortization Schedule. I direct ASC Trust LLC to set up a loan repayment schedule.*

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Plan Administrator Signature

\_\_\_\_\_  
Date