



# Loan Request Form

## NORTHERN MARIANA ISLANDS RETIREMENT FUND 401(A) DEFINED CONTRIBUTION SYSTEM

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.

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

Agency Name \_\_\_\_\_

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

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

Mailing Address \_\_\_\_\_

Contact Number(s) \_\_\_\_\_

Email Address \_\_\_\_\_

*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

- This is a request to borrow \$\_\_\_\_\_ from my NMI Retirement Fund 401(a) (minimum of \$1,000). If your Plan does not allow you to take a loan for the full amount requested, the maximum amount available will be processed. The Plan may have additional limitations on loans available to you.
- The purpose of this loan request is a (please choose one option below that is allowed under your Plan's Loan Policy):
  - PRIMARY RESIDENCE LOAN** to acquire my primary residence (IRS maximum term: 30 years or 360 months; your plan maximum term may differ)
  - PERSONAL LOAN**, if allowed under the Plan's Loan Policy, is for Non-Financial Hardship situations (IRS maximum term: 5 years; your plan maximum term may differ)
- I am applying for (please choose one option below).
  - A. NEW LOAN.** I want to repay the loan in equal installments over a term of \_\_\_\_\_ months. (Please refer to the payment chart)
    - This is a **NEW LOAN with LOAN PAYOFF** amount of \$ \_\_\_\_\_
  - B. LOAN REFINANCE:** (if applicable to your Plan)
    - Keep original Final Payment Due Date.
    - Set up for \_\_\_\_\_ payments (Cannot exceed maximum terms from original loan date. Refer to Item #2 above).

**ASC Use Only:**  
 Original Loan Date \_\_\_\_/\_\_\_\_/\_\_\_\_ Loan#: \_\_\_\_ Verified By: \_\_\_\_\_

*I agree to a one-time loan setup fee of \$100.00 and a quarterly loan maintenance fee of \$15.00. Fees will be charged prorata to available investments in my retirement account.*

**Spousal Consent:** By signing below, I consent to the loan requested by my spouse. I understand that this loan is secured by my spouse's vested interest in the Plan, and that by signing, I may be waiving my right to Plan benefits.

Spouse Signature \_\_\_\_\_ Spouse Name (print) \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**Witness to Spousal Consent:** I have witnessed the signature of the person who signed this form as spouse on the date indicated above. This person presented satisfactory evidence to prove his/her identity.

Plan Representative \_\_\_\_\_ (or) Notary Public \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

State \_\_\_\_\_ County \_\_\_\_\_

*In addition to signing here, notaries may attach a standard form of acknowledgment if they wish.*

# Loan Request Form

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Employer / Plan Name

Your Name (Last Name, First Name)

Social Security Number

## **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.

# Retirement Plan Loan Request Form

Employer / Plan Name \_\_\_\_\_

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

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

## 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 statement 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 investment 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. If the purpose of the loan is for a hardship, I certify that the reason indicated in Section A of this form is true and that the amount requested in Section A of this form does not exceed the amount of the hardship.*

*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, or instructing the fund manager to issue a payment representing the loan proceeds. The company will initiate payroll deductions as detailed on the Truth-in-Lending Disclosure. I direct ASC Trust LLC to set up a loan repayment schedule.*

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

Date \_\_\_\_\_

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

Date \_\_\_\_\_