

IMPORTANT INFORMATION ABOUT THIS FORM - PLEASE READ AND WRITE YOUR INITIALS IN THE BOX

- All loans are subject to a processing fee by the third-party administrator and/or the investment company.
- Not all plans have a loan provision. Please see your plan's Summary Plan Description for further details.

1. GENERAL INFORMATION

PLAN NAME

PARTICIPANT NAME

PARTICIPANT SOCIAL SECURITY NUMBER

PARTICIPANT STREET ADDRESS

PARTICIPANT DATE OF BIRTH

PARTICIPANT CITY, STATE, ZIP CODE

PARTICIPANT PHONE NUMBER

PARTICIPANT EMAIL ADDRESS

CITIZENSHIP: U.S. citizen U.S. resident alien Nonresident alien (*Submit an IRS Form W-8BEN*)

2. HOW MUCH DO YOU WANT TO WITHDRAW? (CHOOSE ONE)

- I elect to withdraw the maximum amount available, which is the lesser of \$50,000 **OR** 50% of the **vested account balance**.

- I elect to withdraw the following amount, **equal to or greater than the required \$1,000 minimum**:

3. LOAN TERMS & OTHER INFORMATION

A maximum loan term is five (5) years unless the purpose of the loan is to purchase a principal residence. If that is the case, the loan term can be extended to fifteen (15) years.

Please indicate the number of years for your loan term:

- The purpose of this loan is **for a general reason**.

- The purpose of this loan is **to purchase a principal residence**.

Do you currently have **an outstanding loan** from your retirement plan?

- Yes
 No

4. HOW DO YOU WANT YOUR FUNDS SENT TO YOU? (CHOOSE ONE)

- I choose **DIRECT DEPOSIT** to my
- checking** account. (Please allow 2-3 business days.)
 - savings** account. (Please allow 2-3 business days.)

BANK NAME

ABA / ROUTING NUMBER (9 DIGITS)

ACCOUNT NUMBER

- I choose a **WIRE TRANSFER** to the above-named bank account. (You are responsible for verifying with the receiving bank if they accept wires and/or charge a fee. Please allow 1-2 business days.)
- I choose to have a **CHECK** mailed to the address listed in Section 1. (Only available for distribution amounts less than \$50,000. Please allow 7-10 business days for regular mail delivery.)

5. TO BE COMPLETED BY THE PARTICIPANT

I certify that all the information listed on this form is true. By signing this form, I hereby agree to pay the Campbell Albrecht loan transaction fee of \$250. Additionally, I agree to repay my loan plus any accrued interest.

PARTICIPANT SIGNATURE

DATE

6. TO BE COMPLETED BY THE PARTICIPANT'S SPOUSE

I, the undersigned, am the legal spouse of the participant. I hereby consent to the loan request by my spouse.

SPOUSE'S SIGNATURE

DATE

7. TO BE COMPLETED BY THE PLAN SPONSOR REPRESENTATIVE

Payroll Cycle: weekly biweekly semimonthly monthly

Last Payroll Date:

PLAN SPONSOR REPRESENTATIVE SIGNATURE

DATE

FORM SUBMISSION

Please return this form to:

MAIL: Campbell Albrecht | P.O. Box 4529 | Thousand Oaks, CA 91359

FAX: (818) 346-4019

EMAIL: stephanie@campbellalbrecht.com

Pursuant to the terms of your retirement program, a participant loan program has been adopted as part of the plan. The program is intended to comply with Labor Regulation 2550.408(b). Loans will be made pursuant to the terms of the plan and the following provisions of this participant loan program.¹

Application Procedure

1. Submit this completed loan application to Campbell Albrecht at least 30 days before the date the loan is to be made.
2. Campbell Albrecht will review loan applications for completeness. **Incomplete applications will be returned.**
3. Approved loans will be processed and approved/rejected by the Trustee as soon as possible.

Basis for Approvals

Loans are available to all participants without regard to an individual's race, color, religion, sex, age or national origin. An individual may be denied future loans if he or she defaulted on any previous loan.

Limitations

Loans will be subject to the following limitations:

- The minimum amount of any loan is \$1,000.
- The maximum amount of any loan is the lesser of \$50,000 or 50% of the vested interest of the participant in the plan.
- The \$50,000 maximum amount will be reduced by the participant's highest outstanding loan balance in the previous twelve months, even if amounts have been repaid.
- The balance of outstanding loans for a single participant may not exceed \$50,000.

Interest

Until otherwise determined by the Trustee, the interest rate will be Prime + 1% and will be constant throughout the term of the loan.

Collateral or Other Security

All loans must be adequately secured. No more than 50% of the present value of a participant's vested interest in the plan may be considered by the plan as security for the outstanding balance of all plan loans made to the participant.

Repayment Terms

All loans are required to be repaid within 5 years of the loan unless the purpose of the loan is to acquire a dwelling unit, which is to be used within a reasonable time as the principal residence of the participant. Loans are to be repaid based on substantially level amortization over the term of the loan with payments deducted from each payroll to the extent that 401(k) deferrals may be made from that same payroll.

Prepayments

Full or partial prepayments are allowed. A partial plan repayment could require the loan to be re-amortized over the remaining term of the loan. An additional fee will apply to partial repayments.

Default

A loan is in default when a scheduled payment is 90 days late. If payment is not received within such stipulated period, the following will take place:

- The delinquent installment will be in default as of the date the last payment was due.
- If the participant fails to make provisions for repayment reasonably acceptable to the Trustee, at the election of the Trustee, exercised in a uniform and nondiscriminatory manner, the remaining principal and interest on the loan shall be declared due and payable as of the date the last payment was due.
- The amount of the default will be considered as having been received in a taxable event, subject to personal income and penalty taxes. Such tax consequences do not affect the participant's obligation to repay the loan. A form 1099R will be issued to the participant and the IRS in a timely manner.

¹ All participant loans are subject to a maximum loan fee of \$250. Some investment companies charge an additional processing fee. Consult your enrollment book, Summary Plan Description (SPD), or your employer regarding the exact fee.

If your 401(k) plan has a loan provision, and you are considering a 401(k) loan, we at Campbell Albrecht want to make sure that you are educated about many of the risks involved with taking a plan loan. Therefore, we have listed some important information below. If you decide to proceed with the loan, we are happy to get the funds to you as soon as possible. Here is some important information you need to know.²

Job Loss. If you lose your job after you have taken out a 401(k) loan, you will have no method to repay the loan. Loan repayments are made through payroll deductions; no job means no paycheck, which means no loan payments. If you think you are at risk of losing your job, or if you are thinking about leaving your employer, you will want to make sure you can repay the loan when you separate from service. If you do not repay the loan, the loan will be considered a cash withdrawal. That means you will have to pay taxes on the funds. In addition, unless you are over age 59½, you will pay a 10% penalty to the IRS. Finally, California residents pay a 2.5% state penalty.

Double Taxation. When you take a loan from your 401(k), you face double taxation because you will repay the loan with after-tax money--unlike your contributions to a 401(k) plan, which are made with pretax money. Then you will pay tax again once you retire and withdraw your funds from the plan.

No Deduction. Unlike with a mortgage or a home-equity loan, if you use a 401(k) loan to buy or improve your home, you will not get a tax deduction on the interest you pay.

Not All Loans Are Equal. You should also know that 401(k) loans are not all the same. Different employers have different structures, rules, paybacks, and interest rates. In addition, there are fees involved with securing a loan from your 401(k) plan. It is customary for participants to pay for their loan origination and annual maintenance. Our standard loan fees follow. Please note that your plan's loan fees may be higher. Check with your employer.

Participant Loan Fee - \$250. This one-time fee covers loan origination, which includes the following: answering participant questions; assistance with the loan request form; loan modeling (upon request); and calculation of amount available (multiple sources / off-cycle vesting calculation). It also covers loan processing, which includes the following: answering plan sponsor questions; timely preparation of loan documents, including the promissory note and amortization schedule; preparation of investment company application; loan approval (if applicable); client follow-up when necessary; and transmittal to investment company. Finally, it covers annual loan tracking, including the following: calculating and/or verifying principal/interest splits, preparing an annual loan audit (i.e., were withheld payments deposited?); roll-up of loan information for reporting purposes (Form 5500); and annual off-cycle "pay-off request" calculation.

Loss of Ability to Save. If, after borrowing from your 401(k) account, you stop contributing while you focus on repaying the loan, your account loses in two ways: not only do your own contributions stop, but so does the company match (if applicable). As a result, your retirement income will grow at a slower rate.

Not All Plans Offer Loans. Just because you have a 401(k) plan does not necessarily mean that loans are allowed. A recent survey suggested that only 51% of all 401(k) plans allowed loans.

As stated above, we do want to help you gain access to your 401(k) funds. However, we want it to be an educated decision on your part. Please know that if you have an emergency, and you do not have access to the funds elsewhere, then a 401(k) loan is the right thing to do. Please call us if you have any questions.

I have read the information above: _____

Signature

_____ Date

Please submit this form with your loan application.

² Please consult your tax advisor if you have questions specific to your situation.