

**Aldine Independent School District
457 Savings for Retirement Plan
Loan Application**

INSTRUCTIONS

1. Complete Sections 1, 2 and 3.
2. Submit this application to your District Payroll Office and request approval of the Plan Administrator in Section 4.
3. Return the completed application to PARS at 4350 Von Karman Avenue, Suite 100, Newport Beach, CA 92660.

SECTION 1: Participant Information

Participant Name: _____

Participant Social Security #: _____

Participant Address (Street, City, State, Zip): _____

Date of Birth: _____

Participant Daytime Phone Number (optional): _____

SECTION 2: Loan Amount Requested

The loan amount requested below must be in hundred dollar increments only

I request a loan amount of \$ _____
(minimum \$1,000 & a maximum of 50% of the account value) Participant's Initials _____

If the requested amount is not available, the maximum amount permitted by law will be processed for the loan.

I request a loan in the maximum amount permitted by law. Participant's Initials _____

SECTION 3: Loan Terms

I intend to use the loan proceeds to purchase my primary residence. YES NO
A failure to check a box means NO.

If you checked YES above and your loan is for greater than \$5,000:
Loan Repayment Period: _____ year(s) (a period up to 30 years---Residential)
A failure to enter a repayment period shall result in a 30-year repayment period being selected.

If you checked NO above, you select a loan repayment period of:
Loan Repayment Period: _____ year(s) (a period up to 5 years---Personal)
A failure to enter a repayment period shall result in a 5-year repayment period being selected.

How often are you paid?: (Check one) weekly biweekly semi-monthly monthly

WHEN COMPLETED, RETURN THIS FORM TO:
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SECTION 4: Loan Provision Agreement

I Understand And Agree To The Following Loan Provisions:

- 1. A participant may only have one outstanding loan provision at a time.
- 2. A Loan Promissory Note and Irrevocable Pledge and Assignment will be sent upon approval of this Loan Application and must be signed and returned to PARS before a check for the loan amount is issued.
- 3. A participant’s total account balance in the Aldine Independent School District 457 Savings for Retirement Plan will be the only security required for this loan.
- 4. The loan interest rate will be a fixed rate set at the Prime Rate as determined on the last day of each calendar quarter using the rate published on the Wall Street Journal website at the time your loan is processed.
- 5. A loan origination fee of \$50.00 will be deducted directly from the participants account. Also, a loan maintenance fee of \$25.00 will be deducted directly from the participants account on an annual basis.
- 6. Loan payments will be made through automatic payroll deductions made by the Participant’s Employer.
- 7. If your payment is not received within 30 days from the due date, your loan will default. Defaulted loans can carry severe consequences, including tax penalties and possible disqualification of the tax-deferred status of your Aldine Independent School District 457 Savings for Retirement Plan. In addition interest on defaulted loans will continue to accrue until you are eligible for a distribution from the plan or your outstanding loan balance is paid in full. Participants who default on a loan will not be eligible for future plan loans.

Participant’s Signature: _____ **Date:** _____

Section 5: Plan Administrator Approval

As Plan Administrator of the Aldine Independent School District 457 Savings for Retirement Plan I hereby authorize the above loan request.

Plan Administrator Signature: _____ **Date:** _____