

RETIREMENT ACCOUNT

403(b)/457 Loan Request Form

This guide includes:

- Loan Application
- Terms & Conditions



4010 Boy Scout Blvd., Suite 450
Tampa, Florida 33607
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RETIREMENT ACCOUNT LOAN APPLICATION

Plan Type: 403(b) 457

STEP 1 PARTICIPANT INFORMATION

Account Number

First Name _____ Last Name _____ M.I. _____

Home/Legal Street Address (P.O. Boxes **not** accepted) _____ Apartment/Suite _____

City _____ State _____ Zip _____

Home Telephone Number _____ Business Telephone Number _____ Cellular Telephone Number _____

Email Address* _____ Marital Status: Single Married

- 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 PLAN SPONSOR INFORMATION

Plan Name _____ Aspire Plan Number _____

STEP 3 LOAN AMOUNT

In most cases, the maximum loan amount is the lesser of \$50,000 or 50% of the vested account balance. The plan's terms may set a minimum loan amount and/or may set a lower maximum loan amount. Certain limitations may apply if you have previously borrowed from the plan or another plan sponsored by your Plan Sponsor.

Please complete only one of the following:

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

STEP 4 LOAN TYPE AND 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 fifteen years. If no duration is provided below, the default duration will be five years for a standard loan and fifteen years for a primary residence loan.

- Loan Type:
- Standard
 - Primary Residence (additional documentation may be required)

Duration: _____ Years
(If blank, the maximum duration will be applied. For standard loans, the maximum duration is five years. For primary residence loans, the maximum duration is fifteen years.)

STEP 5 PAYMENT OPTIONS

Checks will be sent via U.S. mail. If overnight mail option is selected, a physical address must be provided.

Send check via overnight mail. A \$35 fee applies (must be a physical address).

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
(Before selecting this option, confirm that your employer will accommodate payroll deductions.)

Electronic Funds Transfer (EFT)
(Your bank account will be debited on the 15th day of each month, or the business day before or after, if the 15th is not a business day. In the event that any loan payment cannot be processed due to insufficient funds, the debit may be re-requested and insufficient funds fees may be applied.)

Bank Name: _____

Bank Address: _____

Bank City/State: _____ Zip: _____

9-Digit Routing / ABA #:

Deposit to Account #:

Name(s) on Deposit Account*: _____

* Participant's name must be on deposit account.

Further Credit: _____ FBO Account Name: _____

Account Type: Checking Savings

STEP 7 SIGNATURE & ACCEPTANCE

I have received, read, and agree to the terms included in this document, including the Terms and Conditions attached hereto. I understand that I will pay a loan initiation fee, and I have received information disclosing to me the loan initiation fee applicable to my plan. I promise to repay the plan the principal sum of the loan and applicable interest, in consecutive, equal installments. I authorize the Plan Sponsor to deduct loan payments from my paychecks and/or Aspire Financial Services, LLC to facilitate debits from my bank account, as applicable, until the loan's principal and interest have been fully repaid.

▶

Participant Signature

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Date (month | day | year)

STEP 8 SPONSOR SECTION

This loan:

will not be repaid via payroll deductions (and will be repaid based on bank account information provided by the Participant).

will be repaid via payroll deductions:

First Payment Date: - -
Date (month | day | year)

Pay Frequency: **Quarterly** **Monthly** **Semi-Monthly** **BI-weekly** **Weekly**

IMPORTANT: Plan Sponsor/Third Party Administrator for the above-referenced retirement account approves the above-requested loan based on its satisfaction of the terms of the plan and statutory and regulatory requirements. The information provided in connection with this request is true and accurate. The individual signing this form on behalf of the Plan Sponsor/Administrator represents and warrants that he/she is duly authorized to execute this form on behalf of the Plan Sponsor/Administrator and to legally bind the Plan Sponsor/Administrator to the terms and conditions stated herein.

▶
Plan Sponsor/Administrator Signature

- -
Date (month | day | year)

Plan Sponsor/Administrator Printed Name

▶
Third Party Administrator Signature

- -
Date (month | day | year)

Third Party Administrator Printed Name

Terms & Conditions

IMPORTANT: Aspire Financial Services, LLC (“Aspire”) provides the information in this document as a general guide to the loan process for a variety of retirement plans and accounts. It may or may not be applicable to your plan/account. Please verify with your Plan Sponsor as to whether loans are available for your plan/account and find out about any additional requirements and/or limitations that may apply to your plan.

Before taking a loan from your retirement plan/account, you should consult a financial and/or tax advisor.

MAXIMUM AMOUNT

In many cases, you can borrow up to the lesser of 50% of your vested balance or \$50,000. If you've had an outstanding loan balance in any retirement plan offered by your Plan Sponsor within the past year, the maximum amount you can borrow may be reduced by the highest outstanding loan balance in the past 12 months.

MINIMUM AMOUNT

The minimum amount you can borrow from your account is determined by your plan's provisions.

LOAN DURATION

In most cases, you must repay the loan within 5 years. If the loan is used to purchase a principal residence, your plan may allow a longer repayment period of up to 15 years. Additional documentation may be required for a primary residence loan with a repayment period of longer than 5 years.

You may be required to pay off an outstanding loan balance (or have your outstanding loan balance defaulted and deemed to be a taxable distribution) in certain situations, such as when you leave employment with the Plan Sponsor, or in the event of your death.

You can choose to repay the outstanding loan balance in full at any time. For information on paying off an outstanding loan, please contact Aspire.

RATE OF INTEREST

In most cases, the loan's interest rate will be equivalent to the federal prime rate plus 1% (based on when the loan is processed). Your plan, however, may require a different interest rate. The interest rate will be fixed for the duration of your loan, and all interest paid on the loan is reinvested in your account.

LOANS FROM SHARE CLASSES THAT HAVE FEES

Loans may require the sale of shares of funds subject to contingent deferred sales charges (CDSC), redemption fees, or other charges/fees. To the extent that these charges/fees apply, additional assets will be sold from the account to pay these fees. Loan repayments may be treated as new purchases of shares.

REPAYMENT

If your employer/Plan Sponsor facilitates loan repayment via payroll deduction, the employer/Plan Sponsor should begin deducting loan repayments from your paycheck as soon as administratively possible following the issuance of your loan check.

If your employer/Plan Sponsor does not facilitate loan repayment via payroll deduction, your loan will be repaid in equal monthly installments debited from your bank account on or around the 15th of each month. These debits will begin once your loan check has been issued.

REINVESTMENT OF LOAN INSTALLMENT PAYMENTS

Loan repayments are invested based on your elections for the investment of contributions to your plan at the time each repayment is processed. When you exchange an existing balance in your account from one investment to another, this does not change how future contributions (and loan repayments) to your account will be invested. If you want to change how future contributions (and loan repayments) are invested, be sure to also change your elections regarding the investment of future contributions.

DEFAULT

A loan may be considered in default if scheduled payments are not made during the term of the loan. A defaulted loan may be deemed as a taxable distribution. In the event of a deemed distribution, the outstanding amount of the loan will be reported to the IRS and may be subject to taxation and early withdrawal penalties. A defaulted loan may prohibit you from being able to later take another loan from your account.

PLAN DISTRIBUTION

It is very important to note that if you begin taking your required minimum distributions (RMDs), the outstanding loan balance must be included in determining how much you must distribute annually. You must continue repay a loan after a qualified distribution.

QUALIFIED DOMESTIC RELATIONS ORDERS

In the event the retirement account is to be divided pursuant to a domestic relations order, it remains the participant's responsibility to continue to make loan repayments.

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, neither Aspire Financial Services, LLC, the plan custodian, nor the affiliates of either, assume any responsibility or liability for adverse tax consequences incurred by a participant, plan, or plan sponsor as a result of a loan from the plan.

Please **send** the completed form and all required supporting documents to: Aspire Financial Services, ATTN: Loan Processing, 4010 Boy Scout Blvd., Suite 450, Tampa, FL 33607
-or- **Fax:** 813.425.9790. **Questions?** Call Client Services at 866.634.5873, M - F, 8am - 8pm EST.

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 Aspire Financial Services retirement account.

REPAYMENT OF A DEFAULTED LOAN

Traditional account owners have the right to repay their Aspire Financial Services 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. Aspire Financial Services 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 Aspire Financial Services retirement account upon receipt of written approval of the resigning plan custodian. The resigning custodian must also provide the following information to Aspire Financial Services: 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 Aspire Financial Services and will be assessed the one-time loan initiation fee of \$100. All repayments will be remitted via ACH. Aspire Financial Services will accept up to two outstanding loans at a time. Accounts that have had defaulted loans may be transferred to Aspire Financial Services 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. Aspire Financial Services will provide detailed information on the loan(s) to the accepting provider upon request. If you wish to take a new loan at Aspire Financial Services 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, neither Aspire Financial Services, its affiliates, nor the Plan Custodian 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. Aspire Financial Services 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.

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