

# Loan agreement/Request for non-ERISA 403(b) annuities

Metropolitan Life Insurance Company

### Things to know before you begin:

- Do not use this form to request a loan if your 403(b) plan is subject to ERISA, or to request a loan from an Integrated Resources 403(b) contract assumed by MetLife®.



Please follow instructions to avoid delays in processing your request(s)

## SECTION 1: Owner/Participant information *(Complete all applicable items; check box(es) if our records need to be updated.)*

### Owner/Participant

First name	Middle	Last
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Street address

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City	State	ZIP
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Social security number	Home phone number	Daytime phone number	Certificate number
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Preferred method of contact <i>(choose one)</i>	Employer name
<input type="checkbox"/> Phone <input type="checkbox"/> Mail	

## SECTION 2: Loan request information

In order to process your loan request, you must qualify to borrow a gross loan amount, which consists of (1) the net amount you request in item 1 below (*i.e., the amount to be sent to you*), and (2) the \$25 loan application fee (*does not apply in New York, Pennsylvania, South Carolina, Washington, or Wisconsin*). To determine the actual amount of your loan, MetLife will use the gross loan amount. See the Acknowledgement section for additional details. See item 2 in the Loan Disclosure Statement section for limits on the gross loan amount you may borrow.

1. Net Loan Amount Requested: \$ \_\_\_\_\_

2. Loan Check Delivery Options:  Send check to the address listed above.  
 Send check to the following address:

Street address	City	State	ZIP
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Special mailing instructions:

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3. List below all loans you currently have or that were outstanding and paid off within the last 12 months under any qualified employer plans (*including 403(b) annuities*) of the employer through which your MetLife 403(b) certificate was issued. Include any loans that have defaulted but have not yet been offset or that were offset within the last 12 months by distributions from a qualified employer plan (*including 403(b) annuities*) (*see item 7 in the Loan Disclosure Statement*).

Company name	Certificate or contract #	Current vested account balance	Current loan balance	Highest loan balance during last 12 months	In default but not yet offset?

4. Purpose of Loan:  Principal Residence  Purchase Other

5. Requested Loan Repayment Period: \_\_\_\_\_ years (*full year increments only*). Loans must be for 5 years or less; however, a loan used to acquire your principal residence may be for up to 15 years. If a Loan Repayment Period is not selected, MetLife will set the Loan Repayment Period to 5 years.

6. If you are requesting a principal residence loan with a repayment period longer than 5 years, the loan must be used to purchase a dwelling unit which will be used within a reasonable time and not on a transient basis as your principal residence. The determination of whether a dwelling is to be used as your principal residence must be made when you request the loan. Please give the address of the residence to be purchased. Your signature in the Acknowledgement section indicates these conditions apply to this loan.

Principal residence address

**7. MetLife Financial Freedom Select® Certificates With An Active Automated Investment Strategy Only:**

I understand that if I have a MetLife Financial Freedom Select certificate, the automated investment strategies cannot coexist with an outstanding loan. By checking this box, I agree that the automated investment strategy I have selected will be cancelled so that I may receive the loan proceeds as requested in this Loan Agreement/Request.

**SECTION 3: Loan disclosure statement**

1. **Acknowledgement:** I understand this loan will be governed by the terms of my certificate and is also subject to the requirements of Code §72(p) and any rules and regulations thereunder. MetLife will have a first lien on the value of my certificate up to the amount of the loan (*including interest*) as sole security for the loan. I may not change the terms of this loan after MetLife has issued the loan check.

2. **Amounts That May Be Borrowed:** I understand the **minimum** amount I may borrow is \$1,000 and the maximum amount is:

Account balance	Maximum loan amount
Less than \$12,500	80% of Account Balance
\$12,500 - \$20,000	\$10,000
\$20,000 and over	50% of Account Balance, up to \$50,000.

Notwithstanding the above, I understand I cannot get a loan for an amount which, when added to the outstanding balance of all other loans I have from qualified plans (*as described in Code §72(p)(4)*) of the same employer, is more than the lesser of:

- i. \$50,000 reduced by the excess, if any, of my highest total outstanding balance of all such loans for the one year period ending on the day before the date the loan is made, over the outstanding balance of loans from all qualified plans on the date the loan is made; or
- ii. the greater of one-half of the present value of all my vested interests under all such employer plans or \$10,000.

*(For purposes of the above limitations, all loans from qualified plans of the same employer and other members of a group of employers described in Code §§414(b), 414(c) and 414(m) must be combined.)*

3. **Multiple Loans:** I understand and agree I may have more than one outstanding loan at any time, but MetLife will not make another loan to me if:
- I have defaulted on a loan from any MetLife 403(b) certificate and the defaulted amount has not been withdrawn from my certificate due to Code §403(b)(11) withdrawal restrictions;
  - I have repaid in full the outstanding loan balance from any MetLife 403(b) certificate with a personal check within the sixty days before making a loan request;
  - My loan request exceeds the limitations stated in item 2 above; or
  - Making another loan is otherwise prohibited under the tax law.

4. **Loan Interest Rate:** I understand MetLife will charge me 5% interest on my outstanding loan balance. At any time, my outstanding loan balance will be the amount of my loan plus any interest not repaid minus any repayments of principal and interest I have made. I understand the interest I pay on this loan is not tax deductible.

The Fixed Interest Account balance will not be reduced by the amount of the loan. Instead, an amount equal to the outstanding loan balance will earn 3% (2% less than the rate charged on the loan).

5. **Loan Collateral:** If I have a MetLife fixed annuity, I understand while a loan is outstanding, withdrawals are restricted because I must keep an amount equal to 125% of my outstanding loan balance in my certificate as collateral for the loan. If I have a MetLife variable annuity, I understand while a loan is outstanding, withdrawals and transfers from my certificate are restricted because I must keep an amount equal to 125% of my outstanding loan balance in the Fixed Interest Account as collateral for the loan.
6. **Repayment Schedule:** I understand I must repay the loan principal and interest in substantially level amortized quarterly payments and my repayment schedule will be based on the information I have provided above. I understand MetLife will provide the following information with the loan check: (a) my scheduled repayment amount, (b) the date I must begin making repayments and the number of repayments I must make, (c) the cost of my loan as a yearly rate, (d) the dollar amount of total interest I will pay and (e) the total amount I will have paid after I have made all repayments as scheduled. I will return the check if the information provided with the loan check is not acceptable. If I cash the loan check, I agree with the information provided. I understand my first loan repayment will be due three months (90 days) after my loan is processed.

I understand MetLife will apply loan repayments as of the date it receives them. Loan repayments I make in excess of my regularly scheduled repayments will be used to reduce the length of my loan; however, they will not replace my regularly scheduled loan repayments. I understand I may repay my outstanding loan balance in full at any time without a penalty.

7. **Loan Offset:** Upon my death, my entire loan balance will be immediately payable and I authorize MetLife to withdraw this amount and any accrued and unpaid interest from my certificate without further notice. If I request a full withdrawal from my certificate after I have reached age 59½ or notified MetLife of my separation from service or disability, I authorize MetLife to offset against my certificate my remaining loan balance, any accrued and unpaid interest, and any surrender charges. If MetLife makes distribution to me and any amounts are eligible for rollover (*including the offset amount*), I understand MetLife is required to withhold from my certificate 20% of the eligible rollover amount to cover Federal Income Taxes.
8. **Loan Default:** If I do not make a repayment by its due date, MetLife will notify me that my loan is in the process of being defaulted. I understand my entire remaining loan balance will default if MetLife does not receive a loan repayment by the 45th day after it is due and, under Code §72(p), will be treated as a taxable deemed distribution to me for the year in which the grace period ends. If I am under age 59½, a 10% IRS tax penalty may apply.

If I Have an Unrestricted 403(b) Balance: If my certificate contains a balance to which Code §403(b)(11) withdrawal restrictions do not apply (see below), I authorize MetLife to withdraw an amount up to the outstanding defaulted loan balance, plus any accrued and unpaid interest to the date of the withdrawal and any withdrawal charges. If the unrestricted balance is not enough to cover the total defaulted loan balance plus any interest and withdrawal charges, I understand there will be an amount of the defaulted loan balance that will be covered by my restricted 403(b) balance subject to the terms outlined below in the section labeled "If I Have a Restricted 403(b) Balance".

PLEASE NOTE: Even though there may be unrestricted money in an account, MetLife must receive a loan repayment by the 45th day after it is due. MetLife will not automatically apply unrestricted money to a loan repayment in order to prevent default of the entire loan.

**If I Have a Restricted 403(b) Balance:** If Code §403(b)(11) withdrawal restrictions prevent MetLife from withdrawing some or all of the outstanding defaulted loan balance from my certificate, I understand MetLife will continue to charge interest on such amount at the rate shown in item 4 until it can be withdrawn from my certificate. I authorize MetLife to withdraw from my certificate the amount of the outstanding defaulted loan balance plus any accrued interest and any withdrawal charges once Code §403(b)(11) withdrawal restrictions do not apply.

After my loan defaults, I may still make loan repayments in any amount up to the full defaulted amount. MetLife will use such repayments to reduce my loan default balance, including any accrued interest. However, any such repayments will not reverse any tax consequences that have already occurred, such as reporting defaulted amounts as taxable deemed distributions or paying an early withdrawal income tax penalty.

**Code §403(b)(11) Withdrawal Restrictions:** I understand that contributions made under a salary reduction agreement after 1988 and earnings thereon, plus post-1988 earnings on salary reduction contributions made before 1989, may not be withdrawn before the earliest of when I reach age 59½, separate from service, become disabled, die, or have a hardship (*except that I cannot withdraw post-1988 earnings because of hardship*).

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## **SECTION 4: Acknowledgement**

I acknowledge I have read the above Loan Disclosure Statement and agree to be bound by it. I am responsible for complying with the Internal Revenue Code of 1986 ("the Code") requirements governing the terms of this loan and agree MetLife is providing this loan to me based on the information I have provided in this Agreement. If I am requesting a principal residence loan, I acknowledge I meet the requirements set out in item 6 of the Loan Request Information section.

I understand MetLife will not be responsible for my satisfying the necessary loan requirements so I may avoid realizing taxable income. I agree to indemnify and hold harmless MetLife against any claims by my creditors, family, heirs, successors, and assigns concerning this loan. I am responsible for obtaining all necessary tax advice from my own tax advisor concerning the tax consequences of taking this loan and agree MetLife is not giving me tax advice.

I understand that if I have a variable annuity, my certificate must have an amount in the Fixed Interest Account equal to 125% of the gross loan amount. On the day MetLife receives my loan request in good order, funds from the Separate Account investment divisions will be transferred to the Fixed Interest Account to satisfy this requirement if my certificate does not have 125% of the gross loan amount requested in the Fixed Interest Account. The funds transferred from the Separate Account investment divisions will be in proportion to the current allocation of funds to the Separate Account investment divisions within my certificate on the day MetLife receives my loan request in good order.

I understand that if I do not qualify to borrow the net loan amount I have requested (plus any additional applicable charges as explained below), MetLife will automatically process a loan for the maximum amount for which I qualify. If this is not acceptable to me, I may return the loan check to MetLife within 15 calendar days of receiving it and MetLife will cancel my loan transaction.

I understand that if I elected the Lifetime Withdrawal Guarantee Benefit (LWG) Rider, under my MFFS certificate, taking a loan may negatively impact the benefits available under that Rider.

I understand that unless I am a resident of New York, Pennsylvania, South Carolina, Washington, or Wisconsin, MetLife will automatically add \$25 to the net loan amount I have requested in item 1 of the Loan Request Information section, or the amount actually available for a loan, if less, and keep \$25 of such amount to pay the loan application fee. (*For example, if I request a loan of \$1,000, MetLife will determine if I qualify to borrow a gross loan amount of \$1,025, process a loan for \$1,025, and send me a loan check for \$1,000. My beginning loan balance and the amount I must repay, including any accrued interest, will be \$1,025.*)

**US Tax Certification**

Under penalties of perjury, I certify that:

- 1. The number shown on this form is my correct taxpayer identification number, and
- 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and  
*(If you have been notified by the IRS that you are currently subject to backup withholding because of under reporting interest or dividends on your tax return, you must cross out and initial this item.)*
- 3. I am a U.S. citizen or other U.S. person, and
- 4. I am not subject to FATCA reporting because I am a U.S. person and the account is located within the United States.  
*(If you are not a U.S. Citizen or other U.S. person for tax purposes, please cross out the last two certifications and complete appropriate IRS documentation.)*

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

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**SECTION 5: Signatures**

<b>Sign Here</b>	Owner signature <hr/>	Signature date (mm/dd/yyyy) <hr/>
As Plan Administrator/Authorized Representative , I hereby approve this loan and authorize MetLife to send the amount borrowed to the participant. I certify this loan is permissible under the terms of the Plan.		
<b>Sign Here</b>	Plan administrator/Authorized representative signature (REQUIRED) <hr/>	Date (mm/dd/yyyy) <hr/>

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**SECTION 6: How to submit this form**

**Mail this form to:**

Metlife  
P.O. Box 10356  
Des Moines, IA 50306-0356

**Overnight mail only:**

Metlife  
4700 Westown Parkway, Ste. 200  
West Des Moines, IA 50266

**Fax to:**

877-549-5834

**Email:**

[requests@metlife.com](mailto:requests@metlife.com)