

**Annuities**

**Request for Annuity Account Reduction Loan**

Metropolitan Life Insurance Company

**Things to know before you begin:**

- Withdrawal or surrender requests in which the money has already been received in your bank account cannot be returned.



Please complete the entire form to avoid delays in processing your request.

**SECTION 1 - General information** *(Please print)*

Participant first name	Middle name	Last name
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Street address

City	State	ZIP
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Social Security or Tax ID number	Account number	Work phone number	Home phone number
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Marital status:     Single             Married             Divorced             Widowed

**SECTION 2 - General conditions**

1. The amount you may borrow may not exceed the lesser of the following:
  - a. \$50,000 (reduced by the excess of your highest loan balance from all of your employer’s 403(b) and qualified plans within the 12 month period ending on the day before this loan is effective over your outstanding loan balance on the day this loan is made); or
  - b. 50% of your vested plan account balance.
2. You may have up to 2 loans outstanding at any time, per plan approval. However, if you are in default on any loan, from any of your employer’s retirement plans (or from retirement plans of a related employer), you may not request an additional loan.
3. The applicable loan interest rate will be the Bank Prime Loan Rate as published in Federal Reserve Statistical Release H.15 for the Monday of the week which is two weeks prior to the first day of the calendar quarter in which the loan is established, plus 1%. This rate will apply for the life of the loan.
4. You will receive a Promissory Note/Security Agreement, Truth in Lending Disclosure, amortization schedule and the loan check. If you return the uncashed loan check to MetLife within 15 calendar days of receiving it because the Promissory Note/Security Agreement is unacceptable, MetLife will cancel your loan transaction.
5. You must pledge your vested Plan account balance as security for repayment of the loan.
6. You may not request a loan after you have had a severance from employment with your employer. You must agree to payroll deductions sufficient to repay the loan principal and interest.
7. Loans are subject to other rules that the Plan Administrator may establish from time to time and which are explained in the Summary Plan Description or attached to this application.
8. You may not borrow against amounts set aside for an alternate payee under a Qualified Domestic Relations Order (QDRO). Your signature on this application certifies that no Plan benefits are payable to an alternate payee under such an order.
9. A loan origination fee of \$75 (\$85 if express delivery of the loan check is requested) will be taken from the gross loan amount you request below. (For example, if you request a gross loan amount of \$1,000 and delivery of the loan check by regular mail, you will receive a loan check for \$925.) A loan maintenance fee of \$12.50 will be taken each quarter from the remainder of your Plan account balance while you have an outstanding loan balance.
 

Note: Residents of New York, Pennsylvania, South Carolina, Washington or Wisconsin will not be charged a loan application fee.
10. Monies for the loan will be taken on a pro rata basis from available contribution types within your Plan account balance and then on a pro rata basis from funding options within available contribution types on a first-in first-out basis.
11. If the amount of the requested loan is tied to a non-matured bonus, the bonus will be forfeited and the loan will be processed for the requested amount or the maximum amount available.

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### SECTION 3 - Gross loan amount requested

\$ \_\_\_\_\_ (Minimum \$1,000.00 See items 1 and 7 above under General Conditions for information about the maximum amount that you may borrow, the \$75 loan origination fee, if applicable will be taken from the gross loan amount you request.) If you do not qualify to borrow this amount, MetLife will automatically process a loan for the maximum amount for which you qualify.

Note: You must write a specific dollar amount. Do not write "maximum available amount" or a similar expression.

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### SECTION 4 - Current and recent loans

List below all loans you currently have outstanding or that were outstanding and paid off within the last 12 months under any 401(a), 401(k), 403(a), or 403(b) plans of any employer. Include any loans that have defaulted but have not yet been offset or that were offset within the last 12 months.

Name of 401(a), 401(k), or 403(a) Plan or 403(b) Vendor	403(b) Annuity Contract #	Current Vested Plan or Account Balance	Current Loan Balance	Highest Loan Balance During Past 12 Months	Is Loan In Default But Not Yet Offset?

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### SECTION 5 - Purpose of loan

Principal Residence Purchase. 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. Please give below the address of the residence to be purchased. Your signature on this Loan Application certifies these conditions apply to this loan.

Street address

\_\_\_\_\_

City

State

ZIP

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Non residential loan

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### SECTION 6 - Requested loan repayment period

\_\_\_\_\_ months (12 month minimum for all loans; 360 month maximum for residential loans; 60 month maximum for nonresidential loans). (Note: The length of your repayment schedule and the frequency of your repayments will be based on your employer's payroll schedule. IRS rules require that nonresidential loans be repaid not more than five years after the loan establishment date.) Repayment schedule and the frequency of your payments may vary based on group approval. If a Loan Repayment Period is not selected, MetLife will set the Loan Repayment Period to 5 years.

Note: When remitting loan payments, the payment amount must be the exact amount of the payment listed on the amortization schedule or the payment will be rejected and this could cause the loan to default.

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### SECTION 7 - Loan check delivery method *(Select one option.)*

Regular mail. (A \$75 loan application fee applies.)     Express delivery. (An \$85 loan application fee applies.)

Note: Please do not attach a personal check for the loan establishment/express delivery fee; they will be deducted from the distribution.

Residents of New York, Pennsylvania, South Carolina, Washington or Wisconsin will not be charged a loan application fee.

**SECTION 8 - Participant acknowledgement and signature**

I acknowledge that I have read this Application and the information I have provided is accurate. I understand that I am responsible for complying with the Internal Revenue Code requirements that govern the terms of this loan and agree the Plan is providing this loan to me based on the information I have provided. I am responsible for obtaining all necessary tax advice from my own tax advisor concerning the tax consequences of taking this loan and agree that the Plan is not giving me tax advice.

Please check the appropriate box(es) below:

- I am not married and therefore spousal consent to this loan is not required.
- I am married and my spouse’s consent to this loan is provided below.
- I am married, but my spouse’s consent to this loan cannot be obtained or is not required because:
  - My spouse cannot be found
  - My spouse is legally incompetent to give consent (spouse’s legal guardian must give consent).
  - I am legally separated from or have been abandoned by my spouse (within the meaning of local law) and have a court order to such effect and no qualified domestic relations order exists that requires spousal consent to this loan.

I understand that a loan is not permitted if I have a loan from any of my employer’s retirement plans (or from retirement plans of a related employer), that is in default and is still outstanding due to tax law restrictions on offset, and I certify that I do not have any such previously defaulted loans.

Borrower’s signature	Date (mm/dd/yyyy)
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**SECTION 9 - Spousal consent to benefits forfeiture** *(Required if the Participant is married.)*

I hereby certify that I am the spouse of the above-named Participant. I understand that under the Plan, my spouse is entitled under limited circumstances to take a loan against his/her Plan account. I understand that my spouse has requested a loan and I hereby consent to his/her requested loan. I understand that I may refuse to consent to this loan. I acknowledge and understand that to the extent that such loan is not repaid, I may receive reduced benefits under the Plan and that my consent to such loan is irrevocable.

Spouse's signature	Spouse's name (Please print)	Date (mm/dd/yyyy)
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**Notarization or Witness of Spouse’s Signature** (Spouse or spouse’s legal guardian must sign this form in the presence of a notary public or the Plan Administrator.)

STATE OF \_\_\_\_\_ COUNTY OF \_\_\_\_\_

On the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally came \_\_\_\_\_, to me known and known to me to be the individual described in and who executed the foregoing document, and she/he acknowledged to me that she/he executed the same.

Notary Public’s signature	Date (mm/dd/yyyy)	My commission expires
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OR

The undersigned, with authority to act on behalf of the Plan, certifies that \_\_\_\_\_, the Participant’s spouse (or the spouse’s legal guardian), appeared before me in person, and executed the above **Spousal Consent to Benefits Forfeiture** freely and voluntarily.

Plan Administrator signature	Date (mm/dd/yyyy)
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## SECTION 10 - Vesting information for employer contributions and authorization of Plan Administrator

If vested employer contributions are available for loan, indicate below current vested and non-vested percentages for all types of employer contributions that may be available to the participant:

Employer basic contribution:	Vested _____ %	Non-Vested _____ %
Employer supplemental/matching contributions:	Vested _____ %	Non-Vested _____ %
Other employer contributions:	Vested _____ %	Non-Vested _____ %

Repayment of account reduction loans: All repayments, other than a full repayment of the outstanding loan balance and repayments made directly by the Participants to MetLife during an Employer-approved leave of absence, will be made by payroll deductions from the Participant's salary. Repayments will be allocated to the Participant's Plan Account in accordance with the Participant's then-current allocation instructions.

As Plan Administrator, I hereby approve this loan request and agree to the above requirements for remitting the Account Reduction loan payments and I have received and authorize MetLife to send the amount borrowed to the participant.

Plan Administrator signature (REQUIRED)	Date (mm/dd/yyyy)
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## SECTION 11 - How to submit this form

**Regular mail:**

MetLife  
P.O. Box 10356  
Des Moines, IA 50306

**Fax:**

877-549-5834

**Email:**

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

**Annuities**

**Account Reduction Loan Program Worksheet**

Metropolitan Life Insurance Company

**Things to know before you begin:**

- Withdrawal or surrender requests in which the money has already been received in your bank account cannot be returned.



Please complete the entire form to avoid delays in processing your request.

Plan name

Type of Plan:  403(b) <sup>1</sup>  457(b) of a state or local government  403(a)  
 401(k)  Profit sharing (no 401(k) feature)  Money purchase

ERISA Applies:  Yes  No (church or governmental plan)

Plan sponsor name

Plan sponsor address

City	State	ZIP
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**Loan Program Documentation**

1. Do you want to receive from MetLife a model loan program document, based on the information and choices selected below?  Yes  No
2. Do you want to receive from MetLife model loan program language for the Summary Plan Description, based on the information and choices selected below?  Yes  No

**Loan Fees**

3. The loan application fee will be \$75 for regular mail delivery of the loan check or \$85 for express delivery of the loan check. The loan application fee will be deducted from the amount of the loan check. On a calendar quarter basis while the loan remains outstanding, MetLife will deduct from the participant's account balance a maintenance fee of \$12.50. (If required under the Soldiers and Sailors Civil Relief Act of 1940 (SSCRA), MetLife may suspend the maintenance fee on loans incurred by a participant who is a military service member prior to his or her entry into military service, unless the ability of such individual is not "materially affected" by such service. MetLife may require written notice from the individual of his or her intent to invoke the SSCRA, proof of active duty status and evidence of the difference in his or her military and civilian pay.)

Participants who live in Florida may need to pay a documentary stamp tax to the Florida Department of Revenue as a result of receiving a loan from the plan. (See [http://sun6.dms.state.fl.us/dor/taxes/doc\\_stamp.html](http://sun6.dms.state.fl.us/dor/taxes/doc_stamp.html) for more information.)

I understand if I am a resident of New York, Pennsylvania, South Carolina, Washington or Wisconsin, MetLife will not charge a loan application fee.

4. No annuity withdrawal charge will apply to the reduction in the participant's balance in the MetLife deferred annuity as a result of taking a loan from the plan.

**Loan Establishment**

5. Loans will be secured only by a participant's vested benefit under the plan; the use of other security, such as a participant's home, will not be permitted.
6. The minimum loan amount is \$1,000.
7. The loan maximum amount is the lesser of (1) \$50,000 reduced by the excess of the highest outstanding balance of loans from plans of the employer during the one-year period ending on the day before the loan is made over the outstanding balance of loans from plans of the employer on the date the loan is made; or (2) 50% of the present value of the employee's vested accrued benefit.

Note: Participant may have up to 2 loans outstanding at any time. However, if the participant is in default on any loan from this employer's retirement plan, or from retirement plans of a related employer, due to tax law restrictions, he or she may not request an additional loan.

<sup>1</sup>MetLife will only provide account reduction loan recordkeeping for 403(b) plans that are employer-sponsored, i.e., that include employer contributions.

8. Indicate below which amounts may be borrowed. (For plans subject to ERISA, loans must be made available on a reasonably equivalent basis. Caution should be exercised in making this choice so that the elimination of a particular amount or contribution type does not favor highly compensated employees.)

Rollover amounts     Employee contributions     ER Basic contributions     ER Matching contributions

9. If the plan permits employer contributions, are any employer contributions subject to a vesting schedule?

Yes     No

10. Loan applications must be signed by the participant, the participant's spouse, and the plan administrator. The payroll department must confirm for MetLife on the loan application the participant's payroll frequency and the expected payroll date for the first repayment. The completed loan application must be mailed or faxed to MetLife at least 10 days before the date the loan is to be made. Upon receipt in good order, MetLife will prepare an amortization schedule based on the amount to be borrowed and the payroll information provided on the application and mail it to your payroll department. MetLife will issue a check for the loan amount and mail it to the participant along with a promissory note, truth in lending disclosure, and a copy of the amortization schedule. The participant must sign and return to MetLife the promissory note and truth in lending disclosure.

11. Loans will be made on a pro rata by fund, first-in first-out basis from the amounts indicated in item 8 above.

12. If the participant has a MFFS Product with MetLife and the amount of the requested loan is tied to a non-matured bonus, the bonus will be forfeited and the loan will be processed for the requested amount or the maximum amount available.

13. For purposes of new loans taken in a calendar quarter, the loan interest rate will be updated at the beginning of each calendar quarter, if necessary. The declared rate in effect when a loan is taken will apply for the life of the loan. The loan interest rate will be the Bank Prime Loan Rate as published in Federal Reserve Statistical Release H.15 for the Monday of the week which is two weeks prior to the first day of the calendar quarter in which the loan is made, plus 1%. In accordance with the Soldiers and Sailors Civil Relief Act of 1940, as amended, the interest rate on loans incurred by a military service member prior to his or her entry into military service is limited to 6%, unless the person's ability to repay the loan is not "materially affected" by such service. The rate of interest on an outstanding loan may not exceed 6% while the borrower is on active military duty. The plan administrator may require written notice from the individual of his or her intent to invoke the SSCRA, proof of active duty status and evidence of the difference in his or her military and civilian pay. If your plan is exempt from ERISA, the applicable interest rate may be limited by state usury limits.

14. Loan repayment periods may be requested in full month increments. The minimum repayment period is 12 months. The maximum repayment period allowed for nonresidential loans is five years from the date the loan is made. To ensure that nonresidential loans do not exceed this limit, MetLife will offer the following maximum number of repayments for nonresidential loans, based on the participant's payroll frequency:

Weekly Payroll 252 payments

Biweekly Payroll 126 payments

Semimonthly Payroll 116 payments

Monthly Payroll 58 payments

Indicate below the maximum loan repayment period you wish to allow for a loan made to acquire a participant's principal residence:

60 months (5 years)

120 months (10 years)

180 months (15 years)

240 months (20 years)

300 months (25 years)

360 months (30 years)

15. Indicate the maximum number of loans a participant may have outstanding at any time: \_\_\_\_\_ (Maximum of 2)

16. Participant loans may be made for any purpose.

17. Loan refinancing will not be permitted.

### Loan Repayments

18. Loan repayments must be made through the employer via payroll deduction. No loan will be authorized if the participant declines to make repayment by payroll deduction.

Note: Account Reduction Loan payment will only be accepted electronically. The electronic file can contain both contributions and Account Reduction loan payments. Please refer to page 6 of this document for file layout and specific instructions pertaining to electronic instructions.

Are all of the participants who may request loans paid at the same frequency?     Yes     No

Indicate below the frequency (ies) of your payroll periods. (Check all applicable boxes.)

Weekly       Semi-monthly<sup>2</sup>       Bi-weekly       Monthly<sup>3</sup>

19. To ensure that loan amortization schedules satisfy all necessary requirements, the first loan repayment to be deducted from a participant's salary must be deducted no more than 45 days after the date the loan is made.
20. Loan repayments will be deposited in the MetLife funding options in the same proportion as the participant's existing investment election for regular plan contributions. For MetLife annuity contracts that include a surrender/withdrawal charge schedule, repayment amounts will be treated as if they had never been removed from the annuity for purposes of applying the surrender/withdrawal charge.
21. Loan repayments may not be suspended during leaves of absence.
22. In the following situations, loan repayments may be made directly by the participant to MetLife via cashier's check:
  - As a full prepayment of the loan after the loan has been in existence for at least one year.
  - If the participant is on an employer-approved leave of absence. Repayments will need to follow the original amortization schedule and be sent to MetLife before the end of any applicable grace period.
  - As a repayment in full after a loan has defaulted but has not yet been offset.
  - As a repayment in full after the participant's severance from employment if payment of the entire outstanding loan balance is received within the grace period indicated in item 25 below, determined from the date of severance from employment.

Loan repayments made directly by a participant must be sent to MetLife at the same address the employer uses for remitting regular contributions to the Plan.

### Loan Default

23. Loans will automatically be considered due and payable upon the participant's severance from employment. MetLife recommends that you notify participants of this consequence when you conduct exit interviews with terminated employees.
24. The grace period will be the end of the calendar quarter following the earliest of: (1) the calendar quarter in which a scheduled loan repayment was not made while the participant was still employed, or (2) the calendar quarter in which the participant had a severance from employment, unless the participant requests a full withdrawal of his or her non-loan plan account balance before the end of the grace period based on severance from employment.
25. MetLife will automatically notify the plan administrator and the participant in writing 30 days before the end of the grace period (i.e., each February 28th, May 31st, August 31st, and November 30th) regarding missing payments from the prior and current calendar quarter.
26. If an expected loan payment is not received by the end of the applicable grace period, the loan will be considered in default as of the end of the grace period. The entire loan balance, as of the default date, will be reported to the IRS as a taxable event. MetLife will issue an IRS Form 1099-R to the participant. The tax consequences of defaulting the loan will not affect the participant's obligation to repay the loan.

If the participant is still employed at the time of default, foreclosure/offset of the outstanding loan balance will occur at the offset events listed in item 30 below. Interest will continue to accrue on the loan balance until foreclosure/offset.
27. If MetLife is notified of the participant's severance from employment date and full repayment of the outstanding loan balance has not been made by 30 days before the end of the calendar quarter following the severance from employment date, MetLife will notify the plan administrator and the participant in writing that the loan is considered in default, interest is still accruing, and the entire loan balance (as of the end of the grace period) will be reported to the IRS as a taxable distribution if full repayment of the loan is not received by the end of the grace period.

If full repayment of the outstanding loan after severance from employment is not received by the end of the grace period, the loan will be considered to be in default as of the earlier of (1) the end of the grace period, or (2) a full distribution of the participant's non-loan plan account balance. The entire loan balance, as of the default date, will be offset and reported to the IRS as a taxable event. MetLife will issue an IRS Form 1099-R to the participant.
28. If a participant defaults on his loan and is still employed by the plan sponsor, may the participant repay the loan in full after the loan has been in existence for one full year and before the occurrence of an offset event? (Note: A loan repayment made after a loan has defaulted becomes part of the participant's cost basis under the plan.)

Yes     No

<sup>2</sup> For purposes of producing amortization schedules, MetLife will assume monthly payroll dates of the 1st and 15th of each month.

<sup>3</sup> For purposes of producing amortization schedules, MetLife will assume monthly payroll dates of the 1st of each month.

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29. A participant who currently has a defaulted loan under the plan may not request an additional loan until the defaulted loan has been repaid.

**Offset**

30. The occurrence of the following events will lead to the offset of a loan, whether or not it is already in default: (1) reaching the end of the grace period following the participant's severance from employment (including for disability or retirement) without repaying the loan in full; (2) the participant's death; or (3) if allowed under the plan and the Internal Revenue Code, the participant's request before severance from employment for a full distribution of his or her non-loan plan account balance.<sup>4</sup>

**Miscellaneous**

31. While a participant has an outstanding loan, information about the loan may be obtained by reviewing his or her quarterly account statement. For additional inquiries, the participant may call the customer service number listed on their last quarterly account statement.

32. Does your plan document address how to meet an alternate payee's rights under a QDRO when there is an outstanding loan and the participant's "cash value" is less than the amount required to be distributed to the alternate payee?

Yes – Please describe your plan provisions regarding the above situation:

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No

33. Will the plan restrict in-service withdrawals for participants who have outstanding loan balances?

Yes – Please describe:

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(If you answered yes, the plan administrator will be responsible for enforcing the withdrawal restrictions.)

No

34. Please provide the contact information for the Plan Administrator who will be approving the loan requests:

Participant first name	Middle name	Last name	
Street address			
City		State	ZIP
Phone	E-Mail address	Fax	

<sup>4</sup> For example, a 403(b), 401(k), or profit sharing plan might permit in-service full distributions upon reaching age 59½ or a governmental 457(b) plan might allow in-service small account cash outs.



35. Please provide contact information for the individual in the payroll department who will confirm the first payroll date for loan repayments and who needs to receive loan amortization schedules:

First name	Middle name	Last name	
Street address			
City		State	ZIP
Phone	E-Mail address		Fax

I certify the above is an accurate description of the Plan's loan program and that I understand that Account Reduction loan payments will only be accepted electronically and if they are not send electronically, they will be returned which will cause the client's loan to default.

Plan Administrator signature (REQUIRED)	Name and title	Date (mm/dd/yyyy)
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### How to submit this form

**Regular mail:**

MetLife  
P.O. Box 10356  
Des Moines, IA 50306

**Fax:**

877-549-5834

**Email:**

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