USC
UNIVERSITY
OF SOUTHERN
CALIFORNIA

Fidelity Loan Application
Defined Contribution 401(a) Plan
#50303

EMPLOYEE DATA

Name

Last _____ First _____ MI _____ Soc. Sec. No. _____

Mailing Address:

Street _____ City _____ State _____ Zip Code _____

Cell Phone _____ Home Phone _____

Marital Status (check one): ☐ Single ☐ Married

You will need to attach supporting documentation if your marital status differs from the information on file.

Payroll Frequency (check one): ☐ Bi-Weekly ☐ Monthly ☐ Hospital Bi-Weekly

LOAN DETAILS

Eligibility

Effective January 1, 2013, eligible participants actively employed by USC are permitted to have one outstanding loan at a time but there will be no limit on the number of loans a participant may initiate. A participant who has account balances in both the USC Retirement Savings Program and the USC Hospital 401(k) Plan will be permitted to take a loan from each, providing otherwise eligible. The minimum loan is $1,000 in the USC Retirement Savings Program. To the extent permitted by the vendor, the maximum amount available for a loan is the lesser of 50% of eligible accumulations or $50,000 reduced by the highest aggregate outstanding balance of loans with all vendors and plans under USC's retirement plans during the 12 month period immediately preceding the date on which this loan is requested. There is a seven day waiting period between paying off a loan and submitting a request for another loan. A loan that has been deemed or defaulted after January 1, 2013 will be considered to be an outstanding loan and the participant will not be permitted to take another loan.

Loan History

Have you had a USC Retirement Plan loan?

Include previous loan info _____

☐ No

☐ Yes (indicate with which USC vendor):
☐ TIAA ☐ Prudential ☐ Vanguard ☐ Fidelity ☐ SunAmerica

Benefits Office Use

☐ Eligible loan amount to be calculated by Fidelity

☐ 50,000 – _____ = _____
Highest aggregate outstanding loan balance within the preceding 12 month period — Maximum Loan Amount

Amount

☐ I am applying for a loan in the amount of $ _____ .
If the amount available at processing time is less than the amount indicated above, the loan will be reduced to the maximum amount available.

Withdrawal Source for Loan

☐ Take loan amount proportionally from all my eligible Fidelity funds

☐ Take loan amount specifically from fund types listed below:
Loan Repayments will be credited based on your current allocation for new contributions

Fund Name	Dollar Amount or Percent

How You Would Like to Receive Payment

☐ By check *(You should receive your check in 7–10 business days from the date of distribution.)*

☐ By check sent via express mail. I understand that a fee of not more than $25 will be deducted from my account. This check cannot be delivered to a PO Box. *(You should receive your check in 4–5 business days from the date of distribution.)*

Loan Duration (in whole years)

I elect to repay my loan over _____ years.

The maximum term for a loan is 5 years, but can be to up to 10 years if the loan will be used solely to purchase your primary residence (attach a signed copy of Purchase Agreement and estimated escrow charges).

Interest Rate/Fees

The interest rate will be 1% above the prime lending rate announced on the first day of the month during which completed loan forms are received by the Benefits Office. The rate shall be fixed for the life of the loan.

A loan maintenance fee of $3.75 will be deducted from your account each quarter throughout the duration of the loan.

Loan Repayment

Payments are to be deducted directly from your paycheck. Fidelity requires loans to be amortized based on your payroll schedule (26 payments/year for bi-weekly employees and 12 payments/year for monthly employees).

Faculty and staff who receive their base salary in less than 12 monthly or 26 bi-weekly paychecks each year, or who **miss a scheduled payment for any reason**, must make the loan payment 2 weeks before the scheduled payment date shown on the amortization schedule. Pay online at Fidelity/netbenefits.

SPOUSAL CONSENT

Plan Representative or Notary witness of signature required

Notice Regarding Qualified Joint and Survivor Annuity:

I am the spouse of the Participant and I understand that I am entitled to a spousal death benefit under the plan based on the amount in the Participant's account at the time of his/her death. I realize that the Participant cannot waive this spousal death benefit and obtain the requested loan unless I consent. I voluntarily consent to the waiver and acknowledge that this will permit the loan. The reduction in the Participant's account will, therefore, reduce the spousal death benefit that would otherwise have been payable to me with respect to the amount withdrawn.

I have read the above information regarding the Qualified Joint and Survivor Annuity and understand that, by signing this waiver, I will not receive the benefits that may otherwise have been payable with respect to the defaulted amount, should this loan go into default. I release FITSCO (Fidelity) and USC from any and all claims, demands, and losses whatsoever, in law or in equity, past, present, or future, arising out of or in consequence of the making of this loan.

_____

Spouse's Name (please print)

_____ _____

Signature of Spouse **Date**

Sworn before me this day _____ /_____ /_____ In the state of _____ , County of _____

_____ _____

Notary Signature Date

Notary (Seal/Stamp)

My commission expires: _____ /_____ /_____

OR

Personally Witnessed by Plan Representative

_____ _____

Signature Date

PAYMENT AGREEMENT

I have carefully read this Loan Application. I promise to make repayments of my principal loan amount plus interest due for the term of the loan. My signature below authorizes payments to be taken by payroll deduction in accordance with the amortization schedule that I will receive from Fidelity. I understand that a default automatically occurs when payments are more than 90 days overdue as required by IRC section 72 (p)(2)(c). If a default occurs, the unpaid balance will be treated as a taxable distribution and an IRS Form 1099R, or other applicable tax forms, will be issued and I will be responsible for paying any tax consequences and penalties. In the event of default, I waive the withholding of Federal and State Income Tax resulting from the distribution described above.

_____ _____

Participant's Signature Date

Submit your completed **original** loan application for approval to:

USC Office of Benefits Administration
Credit Union Building 2nd floor
3720 S. Flower Street
Los Angeles, CA 90089-0704

EMPLOYER AUTHORIZATION

USC Benefits Office Use Only

_____

Plan Representative Approval

_____

Date

Processing Instructions: Defined Contribution 401(a) Plan (#50303)

Interest Rate _____ %

Repayment frequency	**Loan ID #**
☐ Monthly	☐ L N F _____ _____
☐ Bi-Weekly	☐ L N F _____ _____ 2
☐ Non-Union Hospital	☐ L N F N _____ _____ _____

First Payment Date _____ /_____ /_____