

## Loan FAQs

**Q: How much can I take out?**

A: The maximum loan amount is 50% of your vested account balance in the available sources. The highest loan balance during any rolling year cannot exceed \$50,000. The minimum amount you can take out for a loan is \$1,000.

**Q: What is the interest rate?**

A: The interest rate is 1% + prime.

**Q: Who keeps the interest?**

A: Interest on the loan is paid to yourself, not to Trust Point.

**Q: What other fees will I have to pay?**

A: There is a one-time \$300 loan origination fee.

**Q: How long of a payoff schedule can be set for the loan?**

A: Plan loans may be set up for 5 years or less. (If the loan is for the purchase of a principal residence it may be extended based on your company's policy.)

**Q: How do I repay the loan?**

A: The loan must be repaid through payroll deductions each pay period.

**Q: Can I pay the loan off early or make extra payments?**

A: Yes, you may pay the loan off early without any penalty. You may also make multiple payments each pay period if you choose. Extra payments must be made through payroll deduction and be done in exact multiples of your loan payment amount. For example, if your loan payment amount is \$25, you may make payments of \$50, \$75, or \$100. You may not make a payment of \$60 because that is not an exact multiple of your loan payment amount.

**Q: What do I do if I want to pay off my loan?**

A: To pay off your loan, call Trust Point or check your account online for your outstanding loan balance. You may mail in a personal or cashier's check for that exact payoff amount. Please issue the check to "[Your Company] 401(k) Plan" and in the memo line indicate "Loan payoff for [Your Name]" and mail to our La Crosse office at: Trust Point Inc., 230 Front Street North, La Crosse, WI 54601.

**Q: What if I leave employment with my company and I have a loan balance?**

A: Upon termination of employment, your loan becomes due. You would have 30 days to pay back the loan balance otherwise the loan will be distributed out of your account and become subject to taxes and early withdrawal penalties.

**Q: How do I start the loan process?**

A: Please contact Trust Point's loan coordinator to determine if your plan allows for loans from your 401(k) plan and also to determine the amount you may have available for a loan. To get started, call 800-458-9111 and ask to speak to our 401(k) Loan Coordinator or email us at [tpiparticipantloan@trustpointinc.com](mailto:tpiparticipantloan@trustpointinc.com).

**Q: How long does the loan process take?**

A: The time frame to initiate the loan process is approximately 2 business days. Once we receive the signed forms back, the loan check will be mailed to your home address within approximately 7 – 10 business days.

**Q: How will I receive the loan documents?**

A: The loan agreement, along with a payment schedule, will be emailed to you and your company's plan sponsor via secure email to review and sign.

**Q: Is there a way that I can receive the loan check sooner?**

A: There is an option to pick up the check from the Trust Point La Crosse office, or the check can be sent via overnight mail for an additional fee (\$50).