



INDIVIDUAL 401K LOAN PACKAGE INSTRUCTIONS

HORIZON TRUST COMPANY
6301 Indian School Rd NE Ste.200
Albuquerque, NM 87110

Phone: 888-205-6036
Fax: 505-288-3905
Operations@Horizontrust.com

As a participant of an Individual 401(K) account, you have the option to take out a Participant Loan from your plan. This loan may not exceed \$50,000 or 50% of your overall plan's market value. You are required to pay interest on the amount borrowed. The interest rate for your loan must at least be the Prime rate of interest and a reasonable rate.

If you wish to take out a Participant Loan, please complete the Loan Package in the following 2 pages. Before submitting your Loan Package request to Horizon Trust you must supplement the request with an Amortization Schedule for the repayment of the loan.

You must complete all the fields shown highlighted in blue. **EXAMPLE:**

APPLICATION FOR PARTICIPANT LOAN SECTION REQUIREMENTS

- Amount of Loan
- Period of Loan
- Loan Execution Date
- Name & Signature of Loan Applicant (Individual 401(K) Participant)
- Street Address of Loan Applicant
- Social Security Number of Loan Applicant
- Account Number & Percent of Loan from Tax Deferred Individual 401(K) Account
- Account Number & Percent of Loan from Tax Free Individual 401(K) Account (ROTH, if applicable)

PARTICIPANT INFORMATION SECTION REQUIREMENTS

- Participant Name
- Account #
- Primary Contact Number
- HTC Tax Deferred Account Number
- Birthdate
- HTC Tax Free Account Number (ROTH, if applicable)

CONTRIBUTIONS TO BE MADE

- **Loan Payment Start Date**
 - Date needs to match start date on Amortization Schedule provided
- **Day Going Forward for Each Payment**
 - Date of the month each payment will be due
- **End Date for Loan Payment**
 - Date needs to match final payment date on Amortization Schedule provided
- **HTC Tax Deferred \$**
 - Amount of each payment that needs to be applied to your HTC Tax Deferred Individual 401(K) account
 - Amount of each payment that needs to be applied to your HTC Tax Free (ROTH) Individual 4014(K) account
- **Voided Check**
 - Attach a voided check for ACH details confirmation



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Account #: _____

APPLICATION FOR PARTICIPANT LOAN

I hereby apply for a loan from the Plan. In support of this loan application, I attach such information which the Plan Administrator may require to determine whether I qualify for the loan. I also authorize the Plan Administrator to secure any credit reports to determine my creditworthiness and ability to repay the loan.

In applying for this loan, I acknowledge that I have been furnished with a copy of the Participant Loan Policy established by the Plan. If I am presently employed by the Employer sponsoring the Plan, I also understand that I must execute an agreement to use payroll withholding or enter into an ACH agreement to make payments on the loan. Additionally, I understand and agree to execute a pledge of 50% of my account balance as security for the loan. If I am married, the plan terms may also require that my spouse consent to the pledge.

The amount of the loan is \$_____ for a period of _____ months (if longer than 60 months, the purpose of the loan must be to acquire your principal residence).

I understand the Plan Administrator will make any loan in reliance on the statements on this APPLICATION FOR PARTICIPANT LOAN which I certify are correct and complete.

I understand that I am required to create an Amortization Schedule and submit to the Plan Administrator.

I hereby authorize the Plan Administrator to verify the statements in this application and to obtain any information the Plan or its authorized representative may require in connection with this application.

EXECUTED this : _____ day of : _____, 20_____

Print Name of Applicant

Signature of Applicant

Street Address (Include apartment no.)

Social Security Number

City State Zip Code

*Please list the percentage of loan you would like to come from each "HTC" Account

HTC Tax Deferred Account #: _____ % _____

HTC Tax Free Account #: _____ % _____



INDIVIDUAL 401(K) LOAN PACKAGE

MAILING ADDRESS
Horizon Trust Company
P.O. Box 30007
Albuquerque, New Mexico 87190

FOR OVERNIGHT NIGHT MAIL ONLY:
Horizon Trust Company
6301 Indian School Rd. NE, Suite 614
Albuquerque, NM 87110

P: 888-205-6036 • F: 505-288-3905 • Operations@Horizontrust.com

PARTICIPANT INFORMATION

Name : _____ Account # : _____

Primary Contact Number : _____ HTC Tax Deferred Account # : _____

Birthdate : _____ HTC Tax Free Account # : _____

I have attached an Amortization Schedule for my Loan

CONTRIBUTIONS TO BE MADE

I hereby authorize Horizon Trust Company, through Wells Fargo, to initiate debit entries to my account at the Financial Institution indicated below and for the Financial Institution to debit the same to such an account through the Automated Clearing House (ACH) system, subject to the rules of the Financial Institution. Until I give written instructions to the contrary, I direct the Custodian or Trustee to debit the amount requested as follows:

Individual 401k plan loan payments are made on a monthly basis. Please list the start date of the first loan payment. Please list the day going forward for each loan payment. List the end date for loan payments. At any time you may call our office to arrange for loan payment in full. Loan payments must be paid back at the percentage to the account within the plan borrowed from.

Loan Payment Start Date: _____

Day Going Forward for Each Payment: _____
** Example - the 15th*

End Date for Loan Payment: _____

Loan Payment Allocation

HTC Tax Deferred: \$ _____

HTC Tax Free: \$ _____

ATTACH VOIDED CHECK HERE

Account Owner's Signature : _____ Date : _____