USC
UNIVERSITY
OF SOUTHERN
CALIFORNIA

Fidelity Loan Application

EMPLOYEE DATA

Name

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

Mailing Address:

Street _____ City _____ State _____ Zip Code _____

Work 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): ☐ Biweekly ☐ Monthly

LOAN DETAILS

Eligibility

Faculty and Staff actively employed by USC are eligible to initiate up to two retirement plan loans among all available USC Vendors during any five year period. The minimum loan is $1,000. The maximum amount available for a loan is the lesser of 50% of eligible accumulations or $50,000 reduced by the highest outstanding balance of loans with all vendors under USC's retirement plans during the 12 month period immediately preceding the date this loan is requested.

Source

☐ Employer Accumulations 401(a) *(Plan #50303)* AND / OR ☐ Employee Supplemental 403(b) *(Plan #57648)*

Loan History

Please indicate which USC retirement vendors with whom you had an outstanding loan balance within the past 12 months:

☐ None

☐ Other Vendors: _____

Benefits Office Use

☐ Eligible loan amount to be calculated by Fidelity

☐ 50,000 – _____ (Oustanding loan balance as of 12 months ago) = _____ (Maximum Loan Amount)

Amount

☐ I am applying for the maximum loan amount available.

☐ 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 $35 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 copy of Purchase Agreement submitted to escrow).

Interest Rate/Fees

The interest rate will be 2% 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 $12.50 will be deducted from your account each quarter.

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 biweekly employees and 12 payments/year for monthly employees).

Faculty and staff who receive their base salary in less than 12 monthly or 26 biweekly 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. Checks should made payable to USC and sent to:

USC Fringe Benefit Accounting
Attn: Loan Payment Processor
3500 S. Figueroa, Suite 203
Los Angeles, CA 90087-8006

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.

_____ _____
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

Interest Rate _____ %

Repayment frequency

☐ Monthly ☐ Bi-weekly
(add "2" for biweekly employee)

Loan ID

(401a) = **LNF** _____ _____ _____

and/or

(403b) = **LSF** _____ _____ _____

First Payment Date _____ /_____ /_____