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Loan Application & Agreement - 457(b)

Mail Address:
MassMutual Retirement Services
P.O. Box 219062, Kansas City, MO 64121-9062

Overnight Mail Address:
MassMutual Retirement Services
430 W 7th St, Kansas City, MO 64105

Group No. 61279	Plan Name Contra Costa County	SSN
Employee Name: *Last, First, M.I.*		
Address: *City, State, Zip*		
Home Phone:	Work Phone/ Ext:	

A. To be completed by the Participant

EMPLOYEE REQUEST FOR LOAN: I hereby request to borrow from my account balance under the Plan: (I understand that I may not request a loan, or have an outstanding loan, if my benefit is in pay status.)

☐ $_____ or, if less is available, the Maximum Amount Available ($1,000 minimum).

☐ The Maximum Amount Available ($1,000 minimum). The Maximum Amount Available is determined on the valuation date on which the loan proceeds are to be issued from the plan. The Maximum Amount Available is the lesser of 50% of the vested account balance or $50,000 (reduced by the highest outstanding balance during the last twelve months of all loans made from this Plan).

Loan Fees: I understand and agree that the total loan amount due and payable will include a **processing fee** of $50 to be deducted from my account under the Plan in the same manner as the amount borrowed.

Source of Loan Funds: I understand that the proceeds of my Loan and any Loan Fee will be withdrawn from my account under the Plan against all available investment choices (except a Self Directed Brokerage Account).

Loan Repayment Terms: I agree to repay this loan to my account through payroll deductions within:

☐ 1 Year ☐ 2 Years ☐ 3 Years ☐ 4 Years ☐ 5 Years

Payroll Deduction Authorization: I understand and authorize loan repayments to be made by payroll deduction for each pay period in which a payment is due in accordance with the terms of the Promissory Note and Loan Agreement, starting with the first applicable pay-period following the date this loan is entered into or as soon as administratively practicable and continuing until the loan is repaid in full. I understand that loan repayments will be invested in the investment choices under the Plan in accordance with my most current investment election on file with the Plan Administrator (except a Self Directed Brokerage Account).

B. To be completed by the Plan Administrator, if applicable

Loan Interest Rate The interest rate will be the Current Plan Loan Interest Rate on file at MassMutual.

Payroll Frequency: Repayments will be made ☒ Monthly

C. Signatures

I understand and agree to the terms of the Loan Agreement as stated on page 2 of this application. I understand that I may fully repay the outstanding amount of this loan without penalty. Partial prepayments are not allowed. Upon my retirement, death or termination of employment or termination of the Plan prior to the full repayment of the loan, the outstanding principal amount of the loan will be considered due and payable. My vested account balance will be reduced by the amount of outstanding principal balance of the loan before any distribution to me or my beneficiary, whichever is applicable. I understand and agree that with the loan proceeds I will receive a Promissory Note. I understand and agree that none of the terms or provisions of this Promissory Note may be waived, altered, modified or amended except in writing and duly executed by me and the Plan Trustees. I further understand my endorsement of the check representing this loan shall constitute my agreement to all terms of the Promissory Note and Loan Agreement. I authorize the Contra Costa County Auditor-Controller to make a payroll deduction from my monthly earnings any amount due in accordance with the Contra Costa County Deferred Compensation Plan Loan provisions and administrative procedures. If I return the check to MassMutual unsigned, I authorize MassMutual to deduct a reprocessing fee of $75 from my account under the Plan.

_____ _____

Employee's Signature Date

Please forward this application to your Plan Administrator for final review and approval.

I approve this loan as shown and certify that the above data in regard to the participant is true and accurate to the best of my knowledge and, as applicable, that I have considered any other loan made from any other plan of the employer in determining the amount available to the Participant. I hereby direct MassMutual to issue the loan proceeds accompanied by a Promissory Note to the Participant based upon the information indicated above. I understand that the loan request will be processed as of the date it is received in good order at MassMutual.

_____ _____

Plan Administrator's Signature Date

Please make a copy for your records.

Loan Agreement

I agree that the following terms will apply to the Loan issued to me by the Plan.

Terms of the Plan : This Loan Agreement and the Loan being made to me are subject to the terms of the Plan as now in effect or later amended, including any rules made by the Plan Administrator under the authority of the Plan. The pertinent provisions and defined terms of the Plan and rules of the Plan Administrator are considered in the terms of this Agreement.

Effect of Borrowing - Limitations : I agree that the amount borrowed will be advanced from my investment accounts maintained under the Plan on my behalf in accordance with the Plan provisions. I understand that the maximum Loan amount is limited to the lesser of 50% of my vested account balance under the Plan or $50,000 reduced by the highest outstanding balance on any loan(s) made to me from this Plan (or any other Plan sponsored by the Employer) during the twelve months period ending on the date this Loan is made.

Effect of Repayment : As I repay this Loan, the repayment (both principal and interest) will be credited to my Plan account and invested in accordance with the terms of the Plan. ***I will be provided with a complete repayment schedule for this Loan.***

Loan Terms : The basic terms of the Loan are specified in the Promissory Note provided with the loan proceeds. I promise to repay this Loan in the manner and to the extent required by this Agreement and rules of the Plan Administrator.

Repayment of Loan : During any period I am employed by the Employer, I hereby authorize the Plan Administrator to make a payroll deduction from my salary, or amounts paid in lieu thereof, the repayment amounts set forth in the Promissory Note. **During any period of time when I am not receiving salary or amounts paid in lieu thereof (such as certain periods of layoff or leaves of absence) or my salary or other payment is insufficient to make the required repayment, I agree to make the scheduled repayment when due (or any deficiency therein) by check to MassMutual.** Checks may be mailed to: MassMutual Retirement Services, P. O. Box 219062, Kansas City, MO 64121-9062.

Event of Default : If any of the following events occur before this Loan plus interest is repaid in full, there shall be an event of default: (1) termination of my employment for any reason (including death); (2) a distribution is required to be made under a qualified domestic relations order affecting my account and the distribution would exceed my interest in the Plan less the amount of the Loan outstanding plus accrued but unpaid interest); or (3) my failure to make the scheduled Loan repayment by the end of the calendar quarter following the calendar quarter in which the payment was due. Upon the event of default, I acknowledge that the entire outstanding balance of the Loan plus any accrued interest shall be considered immediately due and payable and interest will continue to accrue until the earlier of the date I repay the Loan in full or the date on which foreclosure occurs. If payment is not made by the end of the calendar quarter following the calendar quarter in which the default event occurred, the Loan plus any accrued interest will be in default and will be reported as taxable to the extent permitted by law and will be foreclosed upon at such time as the law permits.

Early and Late Repayment : I have the right to repay at the end of any month in full (but not in part) the outstanding principal balance of the Loan plus accrued but unpaid interest to the date of such repayment.

Security Interest : I understand that the Loan shall be secured by a lien on my interest in the Plan equal to the value of the outstanding principal plus interest. Accordingly, I grant a security interest in, and a general lien upon, the vested balance of my Plan account as security for the payment when due of the principal and interest on the Loan.

Defined Terms : “Plan” means the Eligible Deferred Compensation Plan funded by the investment product administered by MassMutual identified by the Group No. on this document. “Employer” means the Plan’s sponsor. The term “Loan,” “Plan Administrator,” and “Trustee(s)” have the meaning given such terms under the Plan.

MassMutual Retirement Services (MMRS) is a division of Massachusetts Mutual Life Insurance Company (MassMutual) and its affiliated companies and sales representatives.

WORKSHEET to CALCULATE the IRS MAXIMUM LOAN AMOUNT

This worksheet is provided to the Participant and Employer for informational purposes only and is to be used to assist in the computing of the maximum participant loan amount available.

Do not return this worksheet to MassMutual.

1. Current MassMutual vested account balance, including any outstanding loan amount. **Note:** only include the balance of the account for which the loan is being requested. We do not aggregate the account balances.		$
2. Maximum % Limit: Line 1 x 50%.		$
3. Maximum $ Limit: If there has been no outstanding loan balance for the last 12 months, enter $50,000 on Line 3. Otherwise complete the following calculation and enter the result from (d) on Line 3.		$
(a) = Highest outstanding loan balance in the last 12 months. **Note:** Provide all highest outstanding loan balances that the participant has with any provider under your plan (including MassMutual's).	$	
(b) = Current outstanding loan balance. **Note:** Provide all outstanding loan balances that the participant has with any provider under your plan (including MassMutual's).	$0	
(c) = (a) minus (b).	$	
(d) = $50,000 minus (c).	$	
4. Maximum Loan amount: Lesser of Line 2 or Line 3.		$
5. Current outstanding loan balance.		$0
6. Available Loan Amount: Line 4 minus 5. If the result is less than zero, enter zero.		$

Do not return this worksheet to MassMutual.