

University of South Florida 403(b) Plan

Loan Policy Statement

This serves as an explanation of the rules for applying to take a participant loan from the University of South Florida 403(b) Plan (Plan). All loans will be made strictly in accordance with the provisions of the Plan and this Loan Policy Statement. In the case of any item not covered by this explanation, or in the event of any conflict between this explanation and the Plan or Internal Revenue Code (IRC) regulations, the Plan document or IRC regulations always will supersede.

1. Plan Administration

The Master Administrator for the Plan is responsible for the operation of the Loan Program. A participant's loan application must proceed through the Master Administrator approval process and providers within, prior to the investment provider issuing the loan.

2. Loan Program

- A. Participant loans are available to active employees.
- B. Participants may have a maximum of three (3) outstanding loans at one time; Two (2) General Loans and One (1) Home Loan
- C. A participant in default on a loan(s) from the Plan will not be eligible to receive another loan from the Plan until the defaulted loan(s) is repaid in full.
- D. Loans are not permitted for discontinued/frozen investment providers.

3. Minimum/Maximum Loan Amount

The minimum amount that can be borrowed is \$1,000 (must have \$2,000 in the account). The maximum loan amount that a participant may request is 50% of the participant's Plan balance up to \$50,000, reduced by the participant's highest outstanding loan balance within the 12 months prior to the loan request. For purposes of this section, any loan from any other plan maintained by USF and any related employer will be treated as if it were a loan made from the Plan. This includes ORP and the Deferred Compensation 457 plan.

4. Loan Terms

Interest rate and loan repayment requirements are based on the investment provider's loan application and promissory note.

5. Required Documents

Follow the instructions listed on the Netbenefits web page at www.netbenefits.com/usf on the Plans and Investments Tab under Plan Basics

6. Loan Approval

Generally, a loan request will be approved if the applicant meets all of the certification and documentation requirements set forth in the Plan and this Loan Policy Statement.