

Loan Refinance Application

Pala 401(k) Retirement Savings Plan

669985

Employee Full Name (please print)	SSN	
Permanent Address	Email Address	Daytime Phone Number
City	State	Zip

1. Loan Information

Purpose:

Refinance original loan # _____

- Principal residence loans cannot be refinanced

Additional amount to be borrowed:

\$ _____ (this amount will be **added** to your original loan)

- See the Loan Policy for minimum amount allowed.
- If the loan amount you are requesting is greater than the minimum loan you are allowed, your loan will be made for the maximum.
- If you are requesting an amount by source that is greater than what is available, your loan will be made for the maximum available within each source.

Duration of new loan:

Number of months _____

- Maximum 60 months/5 years (IRS regulations may limit the maximum repayment duration when refinancing an existing Plan loan – contact your Third Party Administrator to discuss.)

2. Employee Signature

The loan will be made pro-rata among investment funds available unless otherwise directed in writing. Review the Summary Plan Description and Loan Policy for any loan limitations.

Irrevocable Pledge and Assignment:

In consideration of the loan to me (the original existing loan balance plus the additional amount requested above), by the Trustee of the above named Plan, I hereby irrevocably pledge and assign to the Trustee of the Plan, or to its successor or successors, 50% of my vested account balances, at any time existing under the Plan, but not less than 50% of my vested account balances determined on the date of the loan which is subject to this pledge, to the extent necessary to satisfy such loan, any unpaid interest on such loan, all attorneys' fees necessary for collection of this obligation and all costs of collection. Failure by me to repay this loan when due or to pay any installment or interest when due authorizes the Trustee to foreclose on this security or to bring a lawsuit to collect the outstanding indebtedness and interests on the indebtedness. This Irrevocable Pledge and Assignment binds my heirs, personal representatives or other legal representatives.

I understand that I am entering into a payroll deduction arrangement to repay the loan until it is repaid in full. **NOTE: I am responsible for making certain that my employer is withholding the proper loan payments.** If the loan payments have not been withheld, I must notify the employer and arrange for make-up loan payment(s) by the end of the loan cure period. If I do not make the missed loan payment(s) by the close of the cure period, the loan will be in default and I will be subject to adverse Federal income tax consequences.

Should my employment terminate with the employer for any reason while this obligation is unpaid and under circumstances in which the Trustee ordinarily would make a distribution from the Plan to me or to my named Beneficiary, I authorize the Trustee to reduce the amount otherwise distributable to me or to my named Beneficiary, by this outstanding indebtedness, together with any accrued interest due on the indebtedness, unless on the day after my termination of employment with the Employer I am a "party in interest" with respect to the Plan or unless the Loan Policy provides otherwise.

I understand: 1. A setup fee applies; 2. An annual loan maintenance fee may apply; 3. Certain plans subject the loan balance to the same asset based fee as other plan investments; 4. An overnight fee applies if I request overnight delivery of the check; 5. Alerus will withhold the Florida document excise tax from the loan proceeds for Florida residents; 6. My endorsement of the loan check obligates me to the terms of the Loan Application, the Promissory Note and Federal Truth in Lending Disclosures.

EMPLOYEE SIGNATURE

DATE

X

Employee, please submit form to authorized signer

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Employee Full Name (please print)	SSN

THIS SECTION IS FOR EMPLOYER, THIRD-PARTY ADMINISTRATOR OR AUTHORIZED PARTY USE ONLY

3. Authorized Signature

Important: Must complete all of the sections below in order for the loan to be made and the amortization schedule prepared

Payroll frequency: weekly monthly bi-weekly (*every two weeks*) semi-monthly (*twice a month*)
 other _____ (*describe*)

First payment date: _____

Required field: Date must coincide with your payroll and be at least 2 weeks out from the date the Loan Application was submitted.

Vesting: Loan calculation is based upon the participant's vesting percentage as most recently reported.

Loan interest rate: Prime Rate (as posted in the Wall Street Journal) + 1%
Note: Rate is controlled by the loan policy Prime Rate (as posted in the Wall Street Journal) + _____%
 Commercially reasonable rate _____%

This is a Refinance request.

Note: For purposes of loan amount limitations under IRC 72(p)(2) if the "Original Loan" is refinanced and replaced by a "New Loan " and the term of the New Loan ends after the latest permissible term of the Original Loan, then the New Loan and the Original Loan are both treated as outstanding on the date of the transaction.

As an authorized signer for the Plan, I have determined the interest rate stated above to be commercially reasonable. I will deduct and submit loan payments from the employee's salary each pay period until the loan is repaid in full. I hereby direct the plan recordkeepers, trustees and/or fund managers to make the distribution as directed by this Application. I understand that Alerus Retirement Solutions relies on the above instructions to process the withdrawal and is not responsible for determining or verifying the correctness of instructions.

AUTHORIZED SIGNATURE	DATE
X	

Authorized Signer, please deliver form to Alerus according to direction below.

Please submit completed and signed form to Alerus Retirement Solutions via Plan Gateway's files menu. Access to Plan Gateway is located at alerausretirementsolutions.com. You may also send form by mail to Alerus Retirement Solutions, Two Pine Tree Drive, Suite 400, Arden Hills, MN 55112.