

University of Nebraska Basic Retirement Plan Loan Program Summary

General Provisions

- **Loans will be limited to the eviction or foreclosure of a primary residence.**
- The Internal Revenue Code limits on the amount that a participant may borrow are applied to the combined TIAA-CREF and/or Fidelity Basic Retirement Plan account balances (looks at both employee and employer funds and earnings). **However a Participant may not borrow more than his or her Employee Contribution Account balance with either TIAA-CREF or Fidelity.**
- The amount of any existing University of Nebraska 403(b) Plan (supplemental SRA) loan or any loan under the UNMC Physicians Money Purchase Pension Plans or 403(b) Plan will be subtracted from the amount the employee is eligible to borrow (based on participant's highest outstanding loan balance during the preceding 12 months).
- Loans may not exceed the lesser of one-half of the Participant's combined TIAA-CREF and Fidelity Basic Retirement account balances or \$50,000 (minus the highest outstanding balances of loans from the University of Nebraska and UNMC Physicians Plans). The minimum loan amount is \$1,000. In addition, the loan cannot exceed the amount necessary to satisfy the immediate and heavy financial need of the hardship event.
- An employee may only possess one Basic and one SRA loan at a time, regardless of the vendor.
- Employees may elect a loan amortization period from 1 to 5 years (1 to 10 years for the purchase of a principal residence).
- The interest rate on a loan from a TIAA CREF account is a variable rate. The rate on a loan from a Fidelity account is the Wall Street Prime rate plus 1 percent.
- Loans must be repaid monthly in equal installments that include both principal and interest. Repayment of a loan to TIAA-CREF or Fidelity must be made through an ACH sweep of the employee's bank account.
- UNMC Physicians retirement plan loans must be aggregated with the university retirement plan funds to determine the amount eligible to access via a loan.
- TIAA-CREF does not assess the employee any fees to process and administer a loan. Fidelity however, charges each loan participant \$50.00 for the initial loan and \$6.25 per quarter for administration.

Requesting a Loan

- Employees should complete the University of Nebraska Application for Loan form (included in this document).
- The Application for Loan form and documentation to support the loan request (**eviction or foreclosure notice**) should be submitted to the employee's Campus Benefits Office for review.
- Once all the necessary forms and documentation has been submitted, University of Nebraska Central Administration will consider the loan for approval.
- Once the loan has been authorized by University of Nebraska Central Administration, the employee should contact TIAA-CREF or Fidelity Investments via web access or telephone to initiate the loan from the retirement plan company.

	<u>Web Access</u>	<u>Telephone</u>
TIAA-CREF	www.tiaa-cref.org	(800) 842-2776
Fidelity	www.mysavingsatwork.com	(800) 343-0860

- Once the vendor loan application is obtained from TIAA-CREF or Fidelity, the loan application should be submitted to UNCA for signature approval. UNCA will notify TIAA-CREF or Fidelity of the loan approval.
- Once all appropriate loan documentation has been submitted to UNCA, disbursement of the loan funds from the vendor will occur within 10 business days.

**University of Nebraska
Basic Retirement Plan**

**Application for Loan
For the Eviction and Foreclosure of a Primary Residence**

You may use this form to request a loan from the University of Nebraska Retirement Plan or Retirement Plan for Federal System Participants (the "Plan"). **The Plan will only allow loans for the eviction and foreclosure of a primary residence.** The Plan will not loan more than necessary to satisfy the immediate and heavy financial need. You may only receive a loan from the portion of your account attributable to employee contributions and earnings.

This form, along with the applicable evidence of eviction or foreclosure, must be submitted to your Campus Benefits Office for review.

Participant's Name: _____ Campus _____

Telephone Number: _____ Campus Address: _____

Date of Birth: ____ / ____ / ____ Social Security No.: ____ - ____ - ____

Email Address: _____

I hereby request a loan (**specific dollar amount**) of \$ _____ from my
TIAA-CREF _____ or Fidelity _____ account under the Plan because of:

I certify that I am only requesting the amount I need to satisfy the immediate and heavy financial need described above. I have exhausted any other reasonably available resources prior to applying for this loan, and cannot satisfy my need through insurance, reasonable liquidation of assets, or borrowing from other commercial sources on reasonable terms.

I certify that all information in this application is true and correct. I understand that a misrepresentation of any fact in this application will result in disciplinary action, including, potentially, termination of employment.

Date: _____

Participant's Signature

Date: _____

Campus Benefits Office Review

Date: _____

UNCA Administration Approval