Loan Guide
for the 457 & 401(k) Plan

New York City
Deferred Compensation Plan

nycdcp

Frequently Asked Questions About Loans

Who is eligible for a Plan loan?

Any active employee who is a participant in either the Pre-tax 457 or pre-tax 401(k) plan is eligible to apply for a loan if the plan for which the loan is taken has an account balance of $5,000 or more at time of application. Funds in the Roth 457 or 401(k) are excluded in the determination of loan availability.

How does taking out a loan impact my Plan investments?

Your loan is funded directly from a cash-out of your pre-tax contributions in your 457/401(k) Plan accounts. The withdrawal will be deducted proportionately from all funds in your account. When you repay your loan, your loan payment is in after-tax dollars and is applied to the interest and finally to the principal, thereby reducing the balance owed. Payments received on your loan will be directed to your current investment allocation in the applicable Plan and will be reflected on your statement.

What is the minimum amount of a loan?

The minimum loan amount available from either the 457 or the 401(k) Plan is $2,500.

What is the Maximum Loan Amount I can borrow?

The Maximum Loan Amount a participant may obtain is the lesser of:

1. One-half of the account value in the 457 or 401(k) Plan (i.e., account balance minus current outstanding loan balance in the 457 or 401(k) Plan); or
2. $50,000 reduced by the highest outstanding balance of loans from all qualified employer plans of the same employer during the 1-year period ending on the day before the date on which such loan is going to be made.

Who are qualified employer plans of the same employer?

With regard to the City of New York, qualified employer plans of the same employer refers to all of the different defined benefit plans and defined contribution plans available to City employees:

- NYCERS
- NYC Firefighter Pension Fund
- NYC Police Pension Fund
- Board of Education Retirement System
- Teachers' Retirement System and 403(b) Tax Deferred Annuity
- Health and Hospitals Corporation 403(b) Tax Deferred Annuity
- New York City Deferred Compensation 401(k)/457 Plan

Why do the loan applications require that the participant obtain loan balance information from the other qualified employer plans of the same employer?

The Maximum Loan Amount a participant may borrow is the lesser of one-half of their account value in the 457 or 401(k) Plan or $50,000. The $50,000 figure represents the maximum amount that can be taken for all loans from qualified employer plans of the same employer. The participant is required to obtain loan balance information from the other qualified employer plans of the same employer as a representation that he or she is aware of the Maximum Loan Amount and that the receipt of a loan from the Plan will not cause the participant to exceed the Maximum Loan Amount. The Plan Administrator shall not be liable for any adverse tax consequences. The participant is strongly advised to address any questions regarding the tax consequences of loans or loan limits to a qualified, independent tax advisor before submitting an application for a loan.

Do I have to put up collateral and qualify for a loan in the same way I would at a bank?

No, the remaining balance in your 457 or 401(k) account will serve as collateral.

How are loans treated for tax purposes?

Funds borrowed from the Plan under these conditions are not treated as distributions, provided they are repaid in accordance with the terms of the loan. Therefore, no taxes are withheld or due when a loan is received.

May I deduct the interest I pay on the loan from my taxable income if I itemize deductions?

No. Under federal tax law, no deduction is permitted for interest paid on a loan from the plan, regardless of the purpose of loan.

How is the interest rate determined for Plan loans?

The interest rates for Plan loans will be based on the prime rate published in The Wall Street Journal on the first business day of each month, plus 1%, and such rate is fixed for the life of the loan.

What are the loan initiation and processing fees?

A loan origination fee in the amount of $50.00 shall be deducted from the loan amount approved and a quarterly maintenance fee of $8.75 shall be deducted from the participant's account.

What are the loan repayment rules?

You are required to repay your loan in full. Loans are due and payable upon the expiration of the loan term or your severance from employment with the City, whichever occurs first. When you sign your loan documents, you must agree to a specific loan term. While you are actively employed, regular loan repayments must be made through payroll deduction. Your repayments will be deducted from each paycheck, beginning in the month following the month in which you receive the loan proceeds. If you wish to prepay your loan, you may pay off your loan with a certified check or money order made payable to the City of New York Deferred Compensation indicating either 457 or 401(k) Plan. Contact the Plan Administrator prior to submitting any prepayment to confirm the total amount due. You may also receive loan prepayment information on the Plan's web site at nyc.gov/deferredcomp.

What if I take a leave of absence?

Participants who take a leave of absence without pay for a period of greater than one month, but not exceeding one-year may request that his or her loan repayments be suspended during the leave of absence through the submission of a Loan Change Form. Interest will continue to accrue during the suspension period. The loan repayment period may not be extended but the remaining loan balance may be re-amortized at the end of the participant's loan suspension period. Another Loan Change Form must be submitted upon completion of the leave of absence to resume loan payroll deductions.

Participants who take a leave of absence without pay for a period of one-year or greater must continue to make loan payments, in accordance with the original loan repayment schedule, by submitting them directly to the Plan Administrator. Upon submission of the Loan Change Form, the Plan Administrator shall send a request for loan payment directly to the participant's address on file with the Plan. Participants can make loan payments to the Plan via personal check, bank check or money order. Failure to submit a Loan Change Form may result in loan default.

What if I fail to make a required loan payment?

A participant's loan shall be delinquent if any loan payment is not made on the date it is due and the Plan Administrator does not receive the payment by the last day of the calendar quarter in which it was due.

If the loan is delinquent, the Plan Administrator will send the participant a Loan Late Letter (the "Late Letter") notifying him or her of the delinquency and the ability to cure the delinquency and avoid default. To cure the delinquency, the participant must submit the amount due, via personal check, bank check or money order, directly, to the Plan Administrator in accordance with the cure period as set forth in the Late Letter.

What are the consequences of a loan default?

If the Plan Administrator has not received the delinquent loan payment(s) by the date set forth in the Late Letter (see definition in the answer to the question above), the loan is defaulted and the participant shall receive a Loan Defaulted Letter (the "Default Letter"). The Default Letter is a confirmation to the participant that the Plan Administrator did not receive the past due loan payment(s) to cure the default by the specified date and, therefore, the following have taken place:

- The entire outstanding balance of the loan, including accrued, but unpaid, interest up to the date of default will be a taxable distribution and reported on Form 1099-R. That amount will be included in the participant's gross income for the calendar year in which the cure period ended.
- The defaulted loan will continue to exist and interest will continue to accrue until the defaulted loan is fully repaid or the participant experiences a distributable event (see below).
- The participant will be precluded from applying for future loans from his or her 457 or 401(k) account, even if the defaulted loan is fully paid off.

Note: The defaulted loan (including unpaid interest accrued after default) is considered outstanding and is applied to determine the available loan amount from all qualified employer plans of the same employer.

When are you eligible to offset a Plan loan?

Participants who experience a distributable event are eligible to offset their Plan loan. A distributable event occurs when a 401(k) Plan participant experiences a severance from City service, attainment of age 59 1/2, total disability or death. A distributable event occurs when a 457 Plan participant experiences a severance from City service, total disability or death. A Plan loan can be offset by submitting a 457/401(k) Loan Offset Form. A Form 1099-R will be issued to you for the total outstanding loan balance for the year in which the 457/401(k) Loan Offset Form was received. A 401(k) loan offset taken by a participant prior to age 59 1/2 is subject to a 10% early withdrawal penalty. Any subsequent payment received after receipt of the 457/401(k) Loan Offset Form will be refunded to you.

May I take another loan from my 457 or 401(k) Plan account?

In each Plan, a participant may have up to two loans outstanding at any time. To qualify for the second loan from the same Plan, repayments on the previous loan must be in good standing and loans must be issued at least 12 months apart. Loans cannot be consolidated.

Where do I go to get a loan repayment estimate?

You can calculate loan projections to estimate your loan repayment amount on the Plan's Web site at nyc.gov/deferredcomp, or through KeyTalk® by calling (212) 306-7760. These projections will not take into account any outstanding pension or TDA loans you may have.

How do I apply for a loan?

To apply for a loan, complete the attached applicable Loan Application and submit it to the Plan's Administrative Office.

What is the sequence of events in the loan process?

1. A completed 457 or 401(k) Plan loan application is received by the Plan Administrator;
2. The Plan Administrator verifies the participant's eligibility for a loan and the amount of the loan;
3. If verified, the Plan's recordkeeper issues a loan check along with a promissory note to the participant (checks are mailed approximately two weeks after the participant has submitted the application to the Plan's Administrative Office);
4. Approximately one month following the month the loan was taken, the first loan payment will be deducted from the participant's paycheck.

Wait...have you considered everything?

Before deciding to take a loan from your Deferred Compensation Plan account, make sure you understand how taking a loan can affect your retirement savings. Taking a loan from your Deferred Compensation Plan account can greatly impact your future account balance. Therefore, you should consider other ways to cover your unexpected expenses.

Please Note: This booklet does not constitute the offering of investment, financial, tax or legal advice or other expert advice. The material contained in this booklet is for informational purposes only. You may wish to consult a professional financial planner, investment advisor, legal counsel or other expert before reaching any decisions. In addition, the material in this booklet is subject to the terms of the 401(k) Plan for Employees of the City of New York and Related Agencies and Instrumentalities and the Deferred Compensation Plan for Employees of the City of New York and Related Agencies and Instrumentalities and any other applicable federal, state and local laws and regulations. In the event of any conflict between the 401(k) Plan for Employees of the City of New York and Related Agencies and Instrumentalities or the Deferred Compensation Plan for Employees of the City of New York and Related Agencies and Instrumentalities and applicable law or regulations, then the applicable laws and regulations shall govern.

457 and 401(k) Plan Loan Provisions

The "Plan" refers to the New York City Deferred Compensation Plan. Loans taken from either the 457 or 401(k) Plans must independently comply with the Deferred Compensation Plan provisions.

A. Participant Eligibility – Only Plan participants who are on active payroll status are eligible to receive a loan.

B. Cost – A loan origination fee in the amount of $50.00 shall be deducted from the loan amount approved and a quarterly maintenance fee of $8.75 shall be deducted from the participant's account for the term of the loan. Each approved loan is subject to a separate origination and maintenance fee.

C. Frequency and Availability – In each Plan, the participant may be approved for only one loan in any 12-month period and may have no more than two loans outstanding at anytime in each Plan. Loans shall be denied to individuals who are currently delinquent on a Plan loan or who have previously defaulted on a Plan loan.

D. Amount of Loan – The minimum loan amount a participant can request is $2,500. The maximum loan amount ("Maximum Loan Amount") a participant may obtain is the lesser of:

1. One-half of the participant's account value in the 457 or 401(k) Plan (i.e., account balance minus current outstanding 457 or 401(k) loan balance); or
2. $50,000; reduced by the highest outstanding balance of loans from all qualified employer plans of the same employer (such as pension loans, 403(b) and Deferred Compensation 457 or 401(k) Plan loans) during the 12-month period ending on the day before the date on which such loan is going to be made.

The participant acknowledges and understands that if he or she applies and receives loan proceeds from another qualified employer plan of the same employer during the same time period the participant is applying for a loan from the Plan then this could result in an adverse tax consequence and loan default.

TAX CONSEQUENCES: The participant represents that he or she is aware of the Maximum Loan Amount and that the receipt of a loan from the Plan will not cause the participant to exceed the Maximum Loan Amount. The participant further acknowledges that any adverse tax consequences that result from the participant's receipt of a loan that exceeds the Maximum Loan Amount are solely the responsibility of the participant. The Participant has independently weighed that risk and has determined that requesting a loan is in his or her best interests. The participant is strongly advised to address any questions regarding the tax consequences of loans or loan limits to a qualified, independent tax advisor before submitting an application for a loan. The Plan Administrator shall not be liable for any adverse tax consequences.

E. Interest Rate Determination – For loans originating in any given month, interest due will be the prime rate published in The Wall Street Journal on the first business day of each month, plus 1%, and such rate is fixed for the life of the loan. Determined rates of interest shall be in accordance with Section 5-501 of the New York State General Obligations Law.

F. Loan Cancellation – A participant may cancel a loan if the Plan Administrator receives a written request no later than five (5) days from the date the loan application was submitted.

G. Repayment – Payments of principal and interest on the loan will be made in equal installments. The first repayment will be due approximately thirty (30) days from the date of the loan. All loan repayments will be made through payroll deductions. If a participant transfers to a different agency within the City of New York, it is the participant's responsibility to inform the Plan, via a Loan Change Form, to continue proper loan repayment. Failure to inform the Plan of the agency change could result in repayments not being deducted and loan default.

Principal repayments and interest payments shall be reinvested in the participant's account in accordance with the participant's investment election in effect at the time payments are received by the Plan. If the participant is not currently contributing to his/her Plan account, the most current investment election on file will be used.

H. Loan Prepayment – Prepayments will only be accepted for the entire outstanding balance of the loan, including any accrued interest. The Plan will not accept any partial payments. All prepayments must be made by certified check, bank check or postal money order (personal checks will not be accepted). If you intend to prepay your loan, please contact the Plan Administrator to determine your payoff amount or access your account through the Plan's web site at nyc.gov/deferredcomp.

I. Leave of Absence – Notwithstanding the above, participants who take a leave of absence without pay for a period of greater than one month but not exceeding one year may, through the submission of a Loan Change Form, request that his or her loan repayments be suspended during the leave of absence. Interest will continue to accrue during the suspension period. The loan repayment period may not be extended but the remaining loan balance may be re-amortized at the end of the participant's loan suspension period. Upon completion of the leave of absence, the participant must submit another Loan Change Form to resume loan payroll deductions.

Loan payments can only be suspended for up to 12 months, consecutive or nonconsecutive, during the life of the loan. If the leave of absence without pay exceeds 12 months, the participant must continue to make loan payments, in accordance with the original loan repayment schedule, by submitting them directly to the Plan Administrator. Upon submission of the Loan Change Form, the Plan Administrator shall send a request for loan payment directly to the participant's address on file with the Plan. Participants can make loan payments to the Plan via personal check, bank check or money order. Failure to submit a Loan Change Form may result in loan default.

If a Participant takes a leave of absence from the City of New York because of service in the military, and does not receive a distribution of his/her account, such time period shall not be taken into account as part of the loan period even if the length of military service is greater that the original term of the loan. Upon completion of military service, the loan shall be re-amortized and repaid over the original term of the loan. Notwithstanding the above, during the military service period, the rate of interest shall not be greater than 6% compounded annually. Please submit a Loan Change Form prior to commencement of military leave and upon return.

J. Default – A participant's loan shall be delinquent if any loan payment is not made on the date it is due and the Plan Administrator does not receive the payment by the last day of the calendar quarter in which it was due.

If the loan is delinquent, the Plan Administrator will send the participant a Loan Late Letter (the "Late Letter") notifying him or her of the delinquency and how to cure the delinquency and avoid default. To cure the delinquency, the participant must submit the amount due, via personal check, bank check or money order, so that it is received no later than five business days before the last day of the quarter in which the Late Letter was sent ("Cure Period").

If the Plan Administrator has not received the delinquent loan payment(s) prior to the expiration of the Cure Period, the loan is defaulted and the participant shall receive a Loan Defaulted Letter (the "Default Letter"). The Default Letter is a confirmation to the participant that the Plan Administrator did not receive the past due loan payment(s) prior to the expiration of the Cure Period and therefore the following have taken place:

- The entire loan, including any accrued interest, is immediately due and payable.
- The entire amount outstanding (remaining principal and accrued interest) will be reported on Form 1099-R, as a deemed distribution as required by law.
- The defaulted loan (including unpaid interest accrued after default) is considered outstanding and is applied to determine the available loan amount from all qualified employer plans of the same employer.
- The participant will be precluded from applying for future loans from his or her 457 or 401(k) account, even if the defaulted loan is fully paid off.

The defaulted loan will continue to exist and interest on the loan will continue to accrue until the loan is fully repaid or the participant experiences a distributable event.

Any attempts to recover on a delinquent loan or a loan in default shall be in accordance with applicable federal and state bankruptcy laws.

K. Loan Offset – If a Participants experiences a distributable event he/she is eligible to offset his/her Plan loan.

A distributable event occurs when a 401(k) Plan participant experiences a severance from City service, attainment of age 59 1/2, total disability or death. A distributable event occurs when a 457 Plan participant experiences a severance from City service, total disability or death.

A Plan loan can be offset by submitting a Loan Offset Form. A Form 1099-R will be issued to the Participant for the total outstanding loan balance for the year in which the Loan Offset Form was received. A 401(k) loan offset taken by a participant prior to age 59 1/2 is subject to a 10% early withdrawal penalty. Any subsequent payment received after receipt of the Loan Offset Form will be refunded to the Participant.

L. Waiver – Any extension of the time for repayment (or any modification of the repayment schedule) granted by the Plan Administrator will not release the participant from his or her liability, or any of his or her obligations hereunder. Any forbearance by the Plan Administrator in exercising any right or remedy shall not be considered a waiver of any of its rights hereunder, or preclude it from exercising any of its rights or remedies hereunder at a later time.

M. Domestic Relations Orders – A loan application will not be processed if the Plan Administrator believes that a claim including, without limitation, a purported Domestic Relations Order, against all or part of any Plan Benefit is likely to be asserted.

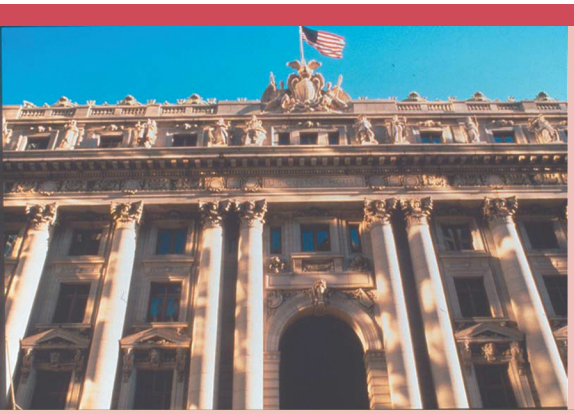
N. Severance From City Service – Upon severance from City service, loans become immediately due and payable. The loan may be repaid by certified check, bank check or postal money order (personal checks will not be accepted) or the participant can authorize the Plan Administrator to offset the loan as a deemed distribution by completing the Loan Offset Form.

O. Distributions

1. 401(k) Plan Partial Distributions for Participants Age 59½ and Over - The outstanding loan amount will reduce the amount available for partial distributions. An amount equal to the current outstanding loan balance (principal and interest) must remain in the participant's account until the loan is fully repaid. This restriction does not apply to distributions due to reasons of approved hardship.
2. Full Distributions – A request for a full distribution will not be honored unless the participant is severing from City service (see N above).
3. In the event of a participant's death, all outstanding loan principal and accrued interest shall be treated as an offset amount on the date of death. The loan cannot be transferred to, or assumed by, the participant's beneficiary. If the loan was not repaid prior to the date of death, any distribution will be made net of any outstanding loan obligation. In addition, the amount of the outstanding loan will be reported as a distribution to the participant's estate.
4. All outstanding loan balances must be paid in full, including any accrued interest, or treated as an offset amount before or at the same time a participant can request a periodic payment option setup.

P. Source and application of funds – Loan disbursements and fees will be made on a prorated basis from the Participant's current investment funds with a balance.

ACCELERATION: THE PLAN SHALL HAVE THE RIGHT TO ACCELERATE ANY AND ALL AMOUNT(S) DUE HEREUNDER IN THE EVENT OF ANY BREACH OF ANY COVENANT OR PROMISE MADE BY THE PARTICIPANT UNDER THE TERMS OF THESE LOAN PROVISIONS.



The City of New York Deferred Compensation Plan
A Division of Tax-Favored Benefits & Citywide Programs
within the Mayor's Office of Labor Relations' Employee Benefits Program

Customer Service Center - 22 Cortlandt Street, 12th floor, NY, NY 10007
(212) 306-7760, 1-888-DCP-3113 (Outside NYC), TTY (212) 306-7707
nyc.gov/deferredcomp

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DEFERRED COMPENSATION PLAN
LOAN APPLICATION

(212) 306-7760 TTY (212) 306-7707 (888) DCP-3113 (Outside NYC) nyc.gov/deferredcomp

Please Print - Black Ink Preferred

Mail (do not fax) completed form to:
DEFERRED COMPENSATION PLAN
Bowling Green Station, P.O. Box 93
New York, New York 10274-0093

Agency Payroll Code

I. CHECK ONLY ONE: ❑ 457 Plan Loan *OR* ❑ 401(k) Plan Loan

NOTE: *If loans are being requested from both Plans, 2 separate applications must be submitted.*

II. PARTICIPANT INFORMATION

Participant ID or last 4 digits of SSN | Date of Birth (MM/DD/YY) | Area code | Home Telephone No. | Area Code | Work Telephone No.

Last Name | First Name | MI

Home Mailing Address - Number and Street ❑*Check here if this is a new address* | Apt. No.

City | State | Zip Code +

III. PAYROLL & RETIREMENT SYSTEM INFORMATION

Agency Name (Not Division): _____

Payroll Frequency (Check one): ❑ Weekly ❑ Bi-Weekly ❑ Semi-monthly (Department of Education agency payroll codes 742 and 744 only)

Retirement System (Check one): ❑ NYCERS ❑ Police ❑ Fire ❑ TRS ❑ BERS ❑ None

NOTE*: Department of Education Per Diem Employees (agency payroll code 746) must contact the Plan directly to set up a payroll frequency.*

IV. LOAN AMOUNT: *Please allow up to 10 business days for your loan to be processed*

Requested Loan Amount: $, (This amount my be reduced; see maximum Loan amount below.)

The loan disbursement will be made on a prorated basis from your investment funds.

Minimum Loan Amount: $2,500

Maximum Loan Amount: Generally, the lesser of 50% of your total account value, or $50,000 less the principal of any existing 457 loan, 401(k) loan, and/or any outstanding loan from qualified employer plans, including pension and 403(b) loans.

NOTE: If a specific amount was requested and the amount requested exceeds available funds, the loan will be processed for the maximum amount available.
Fees: There is a $50.00 loan origination fee which will be deducted from the requested loan amount. There is also a maintenance fee of $8.75 which will be deducted from your 457 or 401(k) account on a quarterly basis for the life of the loan.

V. REPAYMENT SCHEDULE (*All payments are made through payroll deductions over a period not to exceed five years)*

I wish to pay back my loan over (check one): ❑ 1 Year ❑ 2 Year ❑ 3 Year ❑ 4 Year ❑ 5 Year

NOTE: You can calculate loan projections to estimate your loan repayment amount on the Plan's Web site at nyc.gov/deferredcomp, or through KeyTalk® by calling (212) 306-7760. These projections will not take into account any outstanding pension or TDA loans you may have.

VI. RETIREMENT SYSTEM OUTSTANDING LOAN STATUS (*Check all that apply.)*

During the last 12 months I have had an outstanding loan balance with my retirement system: ❑ Yes ❑ No

Check all that apply: ❑ NYCERS ❑ Police* ❑ Fire ❑ TRS ❑ BERS** ❑ 457 ❑ 401 (k) ❑ 403(b)***

* The Police Pension Fund requires Section VII to be completed by a pension representative for all loan requests even if there is **no outstanding pension loan**.

** If you checked Yes to BERS above, Section VII must be completed by an authorized representative from the retirement system prior to submitting this application to the Plan.

*** HHC must complete Section VII.

This application must be received by the Plan within 10 days from the latest date specified in section VII below.

VII. RETIREMENT SYSTEM/403(b) AUTHORIZED SIGNATURE (*To be completed by Pension Plan/403(b) Representative.)*

For the employee set forth above, please provide the highest outstanding balance of **all** loans during the last twelve month period ending on the date in which you sign this application (if there is more than one outstanding loan, please indicate the total of all loans).

A. City of New York Pension System (check one): ❑ Police ❑ BERS*

Retirement system total highest outstanding loan balance: $, . *Attach Loan Payment Detail - No. of Pages

Print Name | Signature | Print Title | Phone No. | Date

B. 403(b) TDA Plan (check one:) ❑ Health and Hospital Corporation ❑ BERS ❑ CUNY

403(b) total highest outstanding loan balance: $, .

Print Name | Signature | Print Title | Phone No. | Date

Participant ID or last 4 digits of SSN | | | | | | | | | | |

VIII. AUTHORIZATION AND SIGNATURE

I authorize the City of New York Deferred Compensation Plan to process the loan requested on this form from my Deferred Compensation Plan account. I further authorize the applicable New York City Retirement System/TDA, set forth in Section VII, to release financial information about me to the Plan. I understand that the information released will only be for the purpose of and limited to determining my loan eligibility. I understand that if approved for a 457 or 401(k) plan loan, I will receive a loan check and that by endorsing said check, I represent that I have received, read, understood and agreed to the terms and provisions of the Loan Promissory Note and Truth in Lending Disclosure Statement, and Amortization Schedule which were sent to me with the check. I also understand the amount approved may be less than the actual amount requested. I further understand that I have directed the City of New York and its recordkeeper, FASCore, to act on my request to withdraw money from my Deferred Compensation Plan 457 or 401(k) account and neither the City of New York nor FASCore will be liable for any loss due to market fluctuations while implementing such request.

TAX CONSEQUENCES:

By signing this Loan Application, I acknowledge the following: (i) that as a result of requesting a loan from the Plan, I can be subject to adverse tax consequences; (ii) that I have independently weighed that risk and have determined that requesting a loan is in my best interest; and (iii) that the Plan Administrator and the Plan shall not be liable for any adverse tax consequences described in (i).

I acknowledge and understand that if I apply and receive loan proceeds from another qualified employer plan of the same employer during the same time period that I am applying for a loan from the Deferred Compensation Plan then this could result in an adverse tax consequence and loan default.

I assume full liability for any tax penalties which may result from this loan. I understand that this loan application is subject to appropriate approval and applicable fees. I further understand that I am subject to payment of the loan origination fee even if I cancel the loan in accordance with the Loan Provisions.

I acknowledge receipt and fully understand the City of New York Deferred Compensation Plan 457 & 401(k) Plan Loan Provisions. The City of New York Deferred Compensation Plan 457 & 401(k) Plan Loan Provisions are hereby incorporated into this application as if fully set forth herein.

I have read, understand, and agree to all pages of this Deferred Compensation Plan Loan Application.

I hereby affirm, under penalty of perjury, that the foregoing information is complete, true and correct. In addition, I authorize access to any and all records and information necessary to verify my application. If any information or documentation submitted is false or suspicious, I understand that my application may be referred to appropriate law enforcement authorities, including the City of New York Department of Investigation.

Participant's Signature: _____ Date: _____

IX. STATEMENT (*This for must be notarized befor it will be processed by the Plan's Administrative Office.)*

State of)

) SS.:

County of)

On _____ before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Signature and office of individual taking acknowledgment

DO NOT WRITE IN THIS BOX - DCP OFFICE USE ONLY

Loan request approved? ❑ Yes ❑ No If No, indicate reason below.

❑ Less than 12 Months since last loan request ❑ Participant currently has a Plan loan in default ❑ Participant currently has two outstanding loans

❑ Participant currently not on active pay status ❑ Account Balance is less than $5,000 ❑ Domestic Relations Order Pending

❑ Total employer loans exceed $50,000 ❑ Other:

Initial Event Number	Date Processed	Processed By	Date Processed	Authorized By

dcp\CombinedLoanApp.indd 5/2014