

IBEW LOCAL 456 ANNUITY FUND
C/O I.E. SHAFFER & CO.
830 BEAR TAVERN RD 2ND FLOOR
PO BOX 1028
TRENTON NJ 08628-0230
PHONE (609) 718-1333 FAX (609) 530-1331
Application for Educational Expenses Loan
(Please Print or Type)

Name of Applicant _____ Soc Sec # _____

Street Address _____

City, State, Zip _____

Date of Birth _____ Telephone # (____) _____

Marital Status (circle one): Single Married Divorced Widow(er)

Name of Spouse _____

Spouse's Soc Sec # _____ Spouse's Date of Birth _____

Loans for Educational expenses are available to participants who have at least 3 years of participation. Loans are limited to the amount of money actually required or 50% of the current balance of such participant's individual account with the Fund (maximum \$50,000), whichever is less. Loans are for Educational expenses for yourself, your spouse, dependent child or a grandchild who is enrolled as a full time or part time student at an accredited elementary, secondary, college, university, or school for the physically or mentally handicapped. (Attach proof of expenses such as bills for tuition, room and board.)

Name and address of educational institution: _____

Full name of student _____

Age _____ Relationship _____

_____ Duration of loan (in years), not to exceed 5 years. The loan duration will be setup to 5 years (60 months) unless otherwise specified.

I elect to have my loan check sent via express mail, therefore deduct \$25 from my account. Express mail is not available to post office boxes.

(In this application the words "I", "me" and "my" mean each hand all of those who signed it. The words "you", "your, and "yours" mean the Annuity Fund named below and any person to whom this Note and Pledge is assigned.)

Promissory Note

To repay my loan I promise to pay to the order of:

IBEW Local 456 Annuity Fund
C/O I.E. Shaffer & Co.
PO Box 1028
Trenton, NJ 08628

The amount financed of \$ _____ (minimum of \$1000) plus interest on the unpaid balance of the loan at a rate of equal to the prime rate of the custodian bank plus .5% from the date the amount financed is disbursed until it is fully paid. I will pay no less than one sixtieth (1/60th) of the loan plus the accrued INTEREST CHARGE. The first payment and all remaining payments must be paid by the 25th day of each month. The final payment is due within 5 years from the date that the amount financed is disbursed.

- A. The INTEREST CHARGE paid under this note will be calculated on a simple interest basis with each payment used to pay the interest earned and second to reduce the balance of my loan. I will pay interest only for actual days principal is outstanding, and any installments paid early will reduce, and ANY INSTALLMENTS PAID LATE WILL INCREASE THE INTEREST I must pay on this loan.
- B. PREPAYMENT: I MAY REPAY ALL OR ANY PART OF MY LOAN AT ANY TIME WITHOUT PENALTY
- C. DEFAULT: THIS NOTE WILL BE IN DEFAULT IF :
 - 1. I DO NOT MAKE A PAYMENT ON TIME OR IN THE FULL AMOUNT DUE;
 - 2. I GO, OR AM PUT INTO BANKRUPTCY: I AM THE SUBJECT OF ANY OTHER PROCEEDING BROUGHT INTO BANKRUPTCY: I COMMIT AN ACT OF BANKRUPTCY; I MAKE AN ASSIGNMENT FOR THE BENEFIT OF MY CREDITORS OR A RECEIVER IS APPOINTED OF SUBSTANTIALLY ALL MY ASSETS;
- D. IF THIS NOTE IS IN DEFAULT:
 - 1. THE TRUSTEES WILL ACCELERATE THE LOAN SO THAT ALL PAYMENTS AND ACCRUED INTEREST WILL BE IMMEDIATELY DUE IF SAID DEFAULT CONTINUES FOR MORE THAN FIFTEEN (30) DAYS.
 - 2. IF I AM IN DEFAULT OF THIS LOAN I WILL BE INELIGIBLE FOR ANY SUBSEQUENT LOAN UNLESS THE LOAN IN DEFAULT IS REPAYED IN FULL TOGETHER WITH ACCRUED AND UNPAID INTEREST.
 - 3. IF I AM IN DEFAULT OF THIS LOAN, THE UNPAID PRINCIPAL PLUS ACCRUED INTEREST TO THE DATE OF DEFAULT AND EXPENSE WILL BE CONSIDERED AN IMMEDIATE TAXABLE DISTRIBUTION AND DEDUCTED FORM MY ACCOUNT. THE JANUARY FOLLOWING THE DEFAULT, A 1099-R TAX FROM WILL BE ISSUED TO ME.
 - 4. THE PAYMENT OF THIS NOTE IS SECURED BY A SECURITY INTEREST IN MY VESTED INTEREST IN THE ANNUITY FUND AND IS EVIDENCED BY AN IRREVOCABLE PLEDGE AND ASSIGNMENT WHICH BEARS THE SAME DATE AS THIS NOTE.

I HAVE READ THE PROVISIONS OF THE NOTE AND HAVE RECEIVED A FILLED IN COPY BEFORE SIGNING.

Signature of Applicant

Signature of Spouse

Irrevocable Pledge and Assignment

To secure the loan to me of:

\$_____ plus any unpaid INTEREST CHARGE, by the Trustees of the IBEW Local 456 Annuity Fund, I irrevocably pledge and assign to the Trustees my nonforfeitable percentage for the accrued benefit existing any time under IBEW Local 456 Annuity Fund. If I fail to repay the amount financed and INTEREST CHARGE due on the loan in accordance with the PROMISSORY NOTE:

THE TRUSTEES WILL ACCELERATE THE LOAN SO THAT ALL PAYMENTS AND ACCRUED INTEREST WILL BE IMMEDIATELY DUE IF SAID DEFAULT CONTINUES FOR MORE THAN FIFTEEN (30) DAYS. THE UNPAID PRINCIPAL PLUS ACCRUED INTEREST TO THE DATE OF DEFAULT AND EXPENSES WILL BE CONSIDERED AN IMMEDIATE TAXABLE DISTRIBUTION AND DEDUCTED FROM MY ACCOUNT.

I warrant and represent that I am financially solvent and able to pay all of my obligations, matured or not matured and that I have not committed any act of bankruptcy, and that no proceeding in bankruptcy has been begun by or against me and that I know of no such proceeding which is not contemplated.

