

## **LABOR UNIONS 401(K) PLAN PARTICIPANT LOAN POLICY**

The Board of Trustees for the Labor Unions 401(k) Plan ("Plan") hereby adopts this loan policy pursuant to the terms of the Plan:

### **A. LOAN REQUEST**

A Participant's may request a Plan loan by filing the Plan's loan application with the Plan administrator.

### **B. SOURCE OF LOAN AMOUNT**

A Participant may borrow funds from his/her non-forfeitable accrued benefits in the Participant's Account under the Plan.

### **C. PARTICIPANT FEES**

There is no fee for the processing of the loan.

### **D. LIMITATIONS ON LOAN AMOUNT/PURPOSE OF LOAN**

#### **1. Loan Amount:**

No loan amount may exceed the lesser of (a) or (b):

(a) 50% of the present value of the non-forfeitable accrued benefit in the Participant's Account or

(b) \$50,000.

#### **2. Purpose of Loan:**

A loan may be made to a Participant for any purpose.

#### **3. Number of Loans:**

A Participant may have two outstanding loans at any time. However, if a Participant has defaulted on a loan the Participant cannot take out another loan until the prior defaulted loan's outstanding balance (which includes accrued interest) is repaid in full by lump sum payment.

#### 4. Source of Funds

The proceeds for a loan will be taken from 100% of the following participant accounts in the priority order as follows: your employee post-tax contributions, and then your employee pre-tax deferrals, and then your rollover contributions and then your employer contributions.

The proceeds for the loan will be taken proportionately from each of the investment funds in which these accounts are invested.

### E. TERMS OF LOAN

#### 1. Security for Loan:

A Participant must secure the loan with an irrevocable pledge and assignment of the Participant's vested Account balance as reflected by the Plan at the end of the most recent computation period for which an accounting has been completed.

#### 2. Terms of Loan Repayment:

The term of repayment may not be greater than five years unless the loan qualifies as a residential mortgage loan. The repayment of a residential mortgage loan shall be for a period of up to 15 years.

A "residential mortgage loan" is a loan used to acquire a residential dwelling unit, such as a house, apartment, or condominium which is used or is to be used within a reasonable time as the principal residence of the Participant.

#### 3. Loan Documentation and Loan Interest Rate:

Every loan will be documented with a promissory note signed by the Participant for the face amount of the loan, with an interest rate of prime rate plus one percentage point established at the inception of the loan.

#### 4. Loan Repayment:

The loan must provide for repayment on a level amortization schedule either by regular periodic repayments (not less than quarterly) paid directly by the Participant to the Labor Unions 401(k) Plan.

Any payments above the minimum required by the repayment agreement shall be applied to reduce the principle amount outstanding.

#### 5. Termination of Employment:

The termination of the Participant's employment shall not affect the participant's repayment requirements. However, a loan will be required to be repaid in full upon the Participant's retirement or at the time a distribution is made under the separation from service rules of the Plan.

**6. Early Repayment:**

Early repayment of the outstanding loan may be made at any time in either full or partial repayments of the outstanding loan balance.

**7. Repayment Suspension While on Qualified Military Service:**

Suspension of loan repayments during leave due to qualified military services will be as permitted under Section 414(u)(4) of the Internal Revenue code.

**F. SPOUSAL CONSENT FOR LOAN**

If a Participant is married, any loan agreement must be signed by the Participant and the eligible Spouse of a Participant. The eligible Spouse's consent must be notarized. Additionally, a copy of the Participant's marriage license must be provided.

**G. DEFAULT ON LOANS**

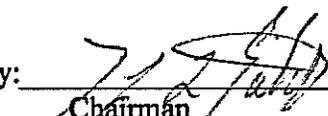
A loan will be in default if any scheduled repayment remains unpaid as of the due date of repayment, including any grace period. After default occurs, the entire outstanding balance of the loan will be treated as a deemed distribution. A deemed distribution is treated as a distribution to the Participant only for certain tax purposes and is not a distribution of the account or accrued benefit. Pending final disposition of the loan, the Participant remains obligated to repay the outstanding balance of the defaulted loan including any unpaid principal and accrued interest to the date of repayment in full. However, no foreclosure on the promissory note or attachment of the vested account balance will occur until a distributable event occurs in the Plan.

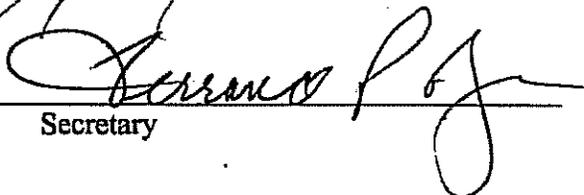
**H. AMENDMENT**

The Trustees of the Plan reserve the right to amend and/or terminate this loan policy at time.

The undersigned Chairman and Secretary of the Labor Unions 401(k) Plan hereby certify that the foregoing Policy was duly adopted by the Board of Trustees on December 4, 2014.

Labor Unions 401(k) Plan

By:   
Chairman

By:   
Secretary