

Loan Request, Points to Consider and Loan Policies & Procedures

Please read these documents carefully, complete the application form and return it to:

PCA Service Center
5446 California Ave SW, Suite 200
Seattle, WA 98136

Your loan request will be processed and a loan packet will be mailed to you. This packet will be sent from **Northwest Plan Services** (NWPS) and will contain the Promissory Note, Truth-in-Lending Statement, Spousal Consent Form, Pre-Authorization Payment Agreement and other payment information. Please note the schedule below:

1. Loan request received by PCA Service Center (Day 0)
2. Request processed, liquidation trades sent, your retirement account debited (Day 1)
3. Custodial bank wires liquidation proceeds to cash management bank (Day 2)
4. Check/direct deposit request files sent to and processed by cash management bank (Day 3)

You could receive funds as early as Day 4 (if request is through direct deposit to your bank).

Points to Consider

Q. Should I take a loan from my PCA Retirement Plan account?

A. It depends on a number of factors, among the most crucial of which is your ability and determination to repay. If you cannot or will not repay the loan you should not take a loan.

Q. Do I have other sources of funds to cover the need?

A. Possible sources include:

1. Savings,
2. Bank, Credit Union, and Home Equity Loans
3. Relatives

Q. What are the consequences if I fail to repay a loan against my account?

A.

1. Loans must be repaid unless older than age 59 ½ or a separation from service has occurred (in which case a loan may be defaulted).
2. The loan may be defaulted and a tax penalty may be incurred on the distribution.

Q. May I deduct the interest paid on a retirement plan loan from my income taxes?

A. Interest paid on loans backed by your retirement plan account balance is not tax deductible, whereas interest paid on equity loans backed by a home mortgage is tax deductible.

Loan Policies and Procedures

Loans are available to all eligible Plan Participants, subject to provisions of Section 6.12 of the PCA Retirement Plan document, the Promissory Note, and the limitations and provisions set forth in these policies and procedures.

1. The maximum loan amount is the lesser of (1) one-half of the balance in the participant's account or (2) \$50,000 reduced by the largest outstanding loan balance during the previous twelve months.
2. The minimum loan amount is \$1,000.
3. A participant may have only one outstanding plan loan at any time. Your current loan must be paid-in-full and the money reinvested in your retirement account before you can request a new loan.
4. Loans may have a term of no less than one (1) year and no greater than five (5) years, except that loans for the purchase of a principal residence may have a term of from five (5) to fifteen (15) years.
5. The interest rate charged on a loan will be based on the existing prime rate charged by our custodial bank (as published on the first day of the month) plus one (1) percentage point. The rate for new loans will be adjusted monthly to reflect any change in the prime rate. Under current law, loan interest secured by a participant's account balance is not tax deductible.
6. **We strongly encourage Loan repayments be made through an automatic ACH draft from your checking or savings account. For this to occur, each participant is encouraged to complete the Pre-Authorized ACH Payment form. Participants choosing ACH may have payments deducted from their account on the 5th, 15th, or 25th day of each month (or following business day). A penalty may be assessed for returned checks.**
7. You may payoff the entire loan, including the outstanding principal plus interest if your loan is in arrears, at any time. Please contact the PCA Service Center for pay-off procedures. However, with the exception of a lump-sum payoff, it is not possible to get ahead of your normal payment schedule – unless paying off the loan in a lump-sum, please pay the exact amount due each month and do not round.
8. The entire outstanding loan principal balance plus accrued interest will be canceled and considered a taxable withdrawal from the participant's account if loan payments are in arrears beyond the grace period of two months.
9. If a terminated lay employee or an ordained minister no longer a member of a PCA presbytery, who has an outstanding loan, requests a demand withdrawal or a rollover distribution of his retirement account balance, the outstanding loan may be canceled and a taxable distribution of the principal balance plus accrued interest will be made concurrent with the granting of the demand withdrawal or the rollover distribution.
10. A loan initiation fee of \$100 will be charged for all loans. An annual servicing fee will be charged by the administrator: \$40 for payments made by ACH (direct draft) or \$75 for payments made by check. All fees will be deducted from the participant's account and are subject to change.
11. Loan reamortizations may be requested by participants with loans at any given time during the duration of the loan.
12. Only one reamortization may be granted during a twelve month period.
13. The term (duration) of the loan will not be changed.
14. No additional funds can be withdrawn at the time of the reamortization request.
15. Once a reamortization is granted at the new, lower rate, the sole change is that the amount of the monthly payment declines. No other terms of the original loan change.

Loan Request [] or Loan Re-amortization Request []

Personal Information:

Name: _____ Date: _____ Social Security #: _____
 (First) (MI) (Last)

Address: _____
 (Street) (City) (State) (Zip)

E-mail: _____

Fax: _____

Daytime Phone: _____ Date of Birth: _____ Employer: _____

Employer's Address: _____
 (Street) (City) (State) (Zip)

Loan Request Information:

Amount Requested: \$ _____ or Maximum []

Duration of Loan: _____ year(s)

ACH Loan Repayment Draft Date (or first business day following): 5th [] 15th [] 25th []

Loan Fees:

Loan Initiation Fee: \$100

Annual Service Fee: \$ 40 for payments made by ACH (direct draft); or,
 \$ 75 for payments made by check

Note: All fees will be deducted from your account.

I would like my loan documents sent by: E-mail Fax US mail

I would like my loan proceeds sent by: Direct deposit Check

Please note that banks may place a two week hold on large out of state checks – we will not cancel issued checks and re-issue the proceeds as a direct deposit later should this occur.

In order to send loan proceeds by direct deposit and in order to draft your monthly payment by bank draft (ACH), the last two pages of this document must be completed.

Signatures:

I have read and understand the attached Loan Policies and Procedures. I attest that the information supplied above is true to the best of my knowledge. If the loan is approved, I agree that I will make monthly payments either through ACH bank draft on a scheduled basis (strongly suggested) or through checks written to "PCA Retirement Plan" on the first of each month. Should a loan default occur the loan will become a taxable distribution from my account and may involve an additional 10% federal tax penalty.

 (Signature) (Date)

 (Spouse's Signature) (Date)

PLEASE NOTE: By submitting this application your loan request will be processed pending approval. On the scheduled processing date the necessary loan funds will be segregated from your other investments regardless of the date we receive your final completed loan documents. If you cancel your loan prior to receiving the loan check you may still incur a cancellation fee.

Charles Schwab Trust Company (CSTC)
Schwab Debit ACH
Authorization Form – Plan Participant



This form is required for each Plan participant's bank account for which Debit ACH is requested / approved.

Plan Sponsor/Plan Information

Plan Sponsor Name (please print) Presbyterian Church in America	Plan Name (please print) PCA Retirement Plan
Plan Account Number 203765	Plan Sponsor Email Address (for notifications)

Recordkeeper Information

Recordkeeper Name (please print) Northwest Plan Services, Inc.	Recordkeeper Email Address (for notifications) pcateam@nwp401k.com
Recordkeeper ID 140	

Plan Participant Information

Plan Participant Name (please print)

By enrolling in Schwab Debit ACH, the Participant is establishing a standing authorization that will allow Charles Schwab Trust Company* ("CSTC") and/or Charles Schwab & Co., Inc., as applicable (collectively, "Schwab") to request electronic funds transfers between the appropriate Plan bank account identified on this form and CSTC's bank account. Electronic transfers will occur only when an authorized user from the Plan Sponsor or its Plan Recordkeeper initiates payment using the Schwab Retirement Center (SRC) Web site. Transfers are subject to the restrictions and provisions included on this Authorization Form and SRC's Terms and Conditions.

Schwab will notify your Plan Sponsor or Recordkeeper via e-mail when the account is functioning and ready for the first Debit ACH transfer, typically within five (5) business days after the receipt of form.

Debit ACH Authorization Release for Bank / Other Financial Institutions.

By executing this form, the Plan Sponsor authorizes Schwab to establish the standing authorized described on this Authorization Form. The Plan Participant authorizes Schwab (i) to initiate debit entries to his/her bank account identified herein and to debit that account, and (ii) to initiate reversals of erroneous or duplicate debit entries and to credit the indicated bank account, as appropriate. Schwab is authorized to withdraw the exact amount of funds associated with the Debit ACH order as shown on the *Notice of Deposit* processed through the SRC Web site by the applicable Plan Sponsor or their authorized Plan Recordkeeper. This authorization will remain in full force and effect until Schwab has received notification from the Plan Sponsor of termination of such authorization and has had a reasonable opportunity to act upon such termination.

The ACH Pull feature requires that the Participant's bank accounts accept electronic debit entries from Schwab. We recommend you contact your bank before submitting your first ACH transfer to ensure you have the appropriate account settings in place.

*Charles Schwab Trust Company (CSTC) is a division of Charles Schwab Bank.

Bank / Financial Institution Information

This is a: Checking Account Savings Account

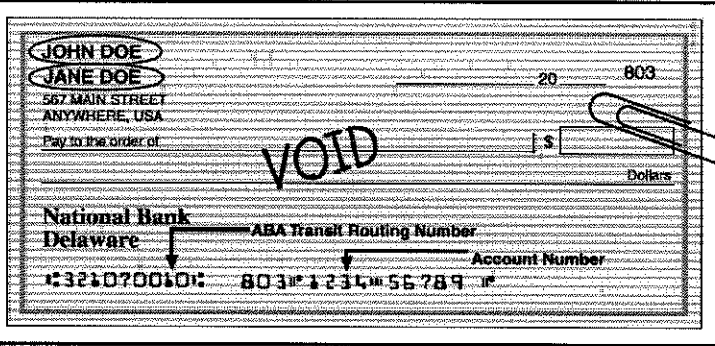
Name of Bank or Financial Institution		
ABA Transit Routing Number	Account Number	Bank Account Name (Nickname) – Optional*

*If selected, Bank Account Name will appear on SRC for easy reference.

Attach a canceled or voided, preprinted check (required) – originals only, no photocopies.

Other acceptable documentation for accounts without checks:

- Preprinted deposit slips for savings account
- A letter from the financial institution, signed by an officer, which includes account title, account number, account type and ABA Transit Routing Number



Signature(s) and Date(s) Required

X	Authorizing Person Signature	Print Name	Date (mm/dd/yyyy)
X	Additional Authorized Participant Signature	Print Name	Date (mm/dd/yyyy)

This authorization may be terminated by any of the parties at any time by writing to Charles Schwab Trust Company, Client Services, 215 Fremont Street, 6th Floor, San Francisco, CA 94105, or by calling 1-877-319-2782.

Charles Schwab Trust Company (CSTC), a division of Charles Schwab Bank, and Charles Schwab & Co., Inc (member SIPC), a registered broker-dealer, provide trust or custody services to clients of Plan Administrator Services. These entities are affiliates of each other and are wholly owned subsidiaries of The Charles Schwab Corporation.