National Life Group®

☐ **National Life Insurance Company®**
☐ **Life Insurance Company of the Southwest®**

Loan Agreement

Owner Name _____ Policy/Certificate Number _____ Social Security / Tax I.D. No _____ Telephone Number _____

Address _____ E-Mail Address _____

1. Loan Request

1a. Loan Amount _____ *(Write dollar amount or "maximum"; or for life only, if applicable, "max keeping riders", or "interest" for single premium endowment product only.)*

1b. Loan Type ***(For life insurance only, If applicable)*** ☐ Fixed Net Cost Loan ☐ Variable Net Cost Loan ☐ Fixed Rate Loan *(if available)*

1c. For life only, please apply to policy _____

For life insurance only, if the policy is or becomes a Modified Endowment, all or part of the loan may be taxable & reportable.

For variable contracts only, the amount will be deducted proportionately from the accumulated value in the sub accounts if sufficient, otherwise from the General/Fixed Account. If you prefer, you may indicate a specific dollar amount and sub-account.

2. Loan Repayment

403(b) & 457 Annuity Loan Payback - ***(All loan payback period is 5 years unless used for the purchase of a primary home.)***

☐ Monthly ☐ Quarterly **If not selected, the default will be quarterly.**

☐ Loan used to buy primary home **BUYER/SELLER AGREEMENT PROOF MUST BE PROVIDED (and signed by both parties)**.

Payback amount and period for a primary residence is based on the loan amount:
- 5 Years: $500 - $5,000
- 10 Years: $5,001 - $10,000
- 15 Years: $10,001 - $15,000
- 20 Years: $15,001 - $20,000
- 25 Years: $20,001 - $50,000

(The same account must be used if there are multiple loans. If new account is listed, we will update the repayment information automatically unless directed otherwise.)

Annuity Loan Payback Method

☐ Electronic Payment or ☐ Check

The draft repayment day will be the same as the loan processing day. This cannot be changed.

3. Bank Information ☐ Checking ☐ Savings

Bank Name: _____ Name on Bank Account: _____
Cannot deposit into reloadable/prepaid accounts

Routing No: _____ Account No: _____

Payout method will be direct deposit. If banking information is not provided, a check will be sent to the address of record.

4. Disclosures

I hereby represent that the proceeds of this loan fall under IRC Section 72(p), if applicable. I further represent that this loan, when added to all my outstanding loans on qualified plans from the same employer in which I am a participant, does not exceed the lesser of $50,000, less the highest outstanding loan balance in the past 12 months, or the greater of (a) one-half the Cash Surrender Value or (b) $10,000. **Contact your Plan Administrator to determine loan availability and required approval**. The Policy or Certificate is assigned to the Company as security for repayment of the loan. Interest is payable at the times and manner provided in the loan provision of the Policy or Certificate. If interest is not paid when due, the defaulted amount will be reported as income to the IRS. The loan balance will continue to bear interest at the same rate until a qualifying event has occurred. If the amount owed to the Company becomes more than the Cash Surrender Value of the Policy or Certificate, the Cash Surrender Value will be treated as a distribution and the policy will be closed out with no future benefits or coverage. Any outstanding loan balance at the time of death will be deducted from the proceeds upon settlement of any claim under this Policy or Certificate. The loan interest rate, required payment, and amortization period are shown on the amortization schedule which will be sent to me. The loan is payable according to the Policy's loan provision. I further understand that the Company is furnishing this form and participating in this loan transaction at my specific request. The Loan Agreement shall be automatically amended so as to maintain compliance with all laws and regulations applicable to such loan. **W9: Under penalties of perjury, I hereby certify that:** (1) the number shown on this application is my correct taxpayer identification number; (2) the IRS has never notified me that I am subject to backup withholding, or has notified me that I am no longer subject to such withholding or I am exempt from such withholding; (3) I am a U.S. person (including a U.S. resident alien); and (4) I am exempt from FATCA reporting. *You must cross out item 2 if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.*

5. Signatures/Date

The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

_____ Owner Date

_____ Collateral Assignee - if any *(Must be notarized)* Date

_____ Spouse, if any ***(Required in AZ, CA, ID, LA, NM, NV, TX, WA, WI & ERISA plans)*** Date
Copy of divorce decree/QDRO or death certificate required if applicable

_____ Other Required Signatures *(i.e. Joint Owner, POA, -I.D Required)* Date

_____ Plan Administrator's Signature & Title ***(Required for qualified accounts except IRAs)*** Date

National Life Group® is a trade name of National Life Insurance Company, Montpelier, VT, Life Insurance Company of the Southwest (LSW), Addison, TX and their affiliates. Each company of National Life Group is solely responsible for its own financial condition and contractual obligations. LSW is not an authorized insurer in New York and does not conduct insurance business in New York.

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