

Loan Default Form

The Freeman Corporation 401(k) Savings and Profit Sharing Plan

665247

Employee Full Name (please print)	SSN	
Permanent Address	Email Address	Daytime Phone Number
City	State	Zip

1. Employment Status

- ☐ Active
☐ Terminated – Termination Date _____

2. Loan Information

Original loan amount

Date of loan

Last payment date

Cure period end date*

Please do not send this form to Alerus until after the cure period end date.

***Definition of Cure Period:** A default in repayment occurs any time a participant misses a payment and does not cure the missed payment within a specified period of time as stated in the loan policy. This time period is considered the 'Cure Period' and for an active participant, is typically no later than the end of the calendar quarter following the calendar quarter in which the default occurred. For a terminated participant, please refer to the Loan Policy for the Cure Period as it may be a shorter period.

If an **ACTIVE** participant defaults on a loan, and a Form 1099-R is issued the loan remains on recordkeeping and trust until the participant terminates. This is in accordance with IRS rules and is called a "deemed distribution".

If a **TERMINATED** participant defaults on a loan, a Form 1099-R is issued and the loan is treated as a distribution and removed from the participant's account balance even if the participant chooses to defer distribution of the mutual fund investments.

3. Authorized Signature

The above participant has defaulted on their participant loan and is not on an approved leave of absence. Please issue a Form 1099-R to this individual to report the outstanding loan balance of this defaulted loan as taxable income to this participant. The participant is aware that a 1099-R will be issued. **I have verified that the cure period has been satisfied before submitting this request.**

AUTHORIZED SIGNATURE

DATE

X

Please submit completed and signed form to Alerus Retirement Solutions via Plan Gateway's files menu. Access to Plan Gateway is located at alerusretirementsolutions.com. You may also send form by mail to Alerus Retirement Solutions, Two Pine Tree Drive, Suite 400, Arden Hills, MN 55112.