The Knox County Retirement and Pension Board (the Board) is pleased to offer a loan request feature for the Knox County Government Employees. Eligible participants are now able to model and request a loan from the usicg.com website, subject to the terms of the plan. The website will also display the status of your loan from the time the application is entered through processing and mailing of your loan check.

For qualified eligible participants, once you request and confirm your loan using the website, it is automatically submitted for processing from your account. Requests are generally processed within one business day, and checks are mailed within three business days from the date your loan is processed. You will receive a Promissory Note and Disclosure attached to your loan check. By signing the loan check, you acknowledge receipt of this documentation and agree to all terms of the loan. We encourage you to keep this paperwork for your records.

Included is a Quick Reference Guide for Plan Loans that provides step by step instructions on how to apply for a loan using the usicg.com website. We hope that you find this guide and new Loan Program helpful and easy to use, should you wish to initiate a loan from your account in the future.

Loan applications are available online only.

**Participant Loan Program Highlights**

**Eligible Participants**
Active participants in the Asset Accumulation or STAR plan who are fully vested, paid on a 12-month payroll cycle, and are not employed by:
- Knox County Schools,
- Charter Schools,
- E-911, or
- The Metropolitan Drug Commission

**Loan Provisions**
- Minimum loan amount: $5,000
- Maximum loan amount: 25% of vested balance up to $50,000, subject to applicable IRS rules
- Maximum loan term may not exceed five (5) years
- Only one (1) loan is permitted at any time
- Must wait 12 months from when a loan is paid off before you can take another loan

**Fees**
- Interest Rate of 6% per year (based on Prime plus 0.5%, reviewed and adjusted periodically by the Board)
  Effective 07/01/2019 - 06/31/2020
- $50 origination fee
- $35 annual administrative fee (paid in semi-annual installments)

**Loan Default Notice**
A defaulted loan shall be treated as a deemed distribution, taxable in accordance with federal law.

If you have any additional questions please contact:
USI Consulting Group
(866) 305-8846, plan code 524
Monday - Friday 8:00 am to 5:00 pm ET.

*The Board reserves the right to modify, amend or terminate this Program or any provision at any time. Participant Loan Program documents can be found at www.knoxcounty.org/retirement.

**STAR Participants do not have to be vested in the Employer Supplemental Contribution Account.**
Following is a summary of the steps to apply for a loan from your retirement account via the USICG website:

2. Click on the Retirement Account Access button.
3. Select Participant Login under the Participant Account Services menu.
4. Enter your User ID and Password and click the Login button.
5. Select Loans from the drop-down menu located at the top of the screen. Click Loan Calculator and Request to get started. (From this menu option you may estimate loan payments and request loans, check the status of loans taken and view loan payoff details.)
6. Enter the loan amount, term of the loan (in months) and your daytime telephone number (in case any information needs to be verified).
7. Click Calculate Payment to estimate your loan repayment amount per pay period and amount available to borrow from your account.
8. Click Request Loan to accept the terms shown on the screen and apply for the loan.
9. Review the Loan Request Verification screen and click Confirm if all terms are correct (you may also Edit or Cancel your request). Clicking Confirm submits your loan for processing.
10. Read and Print a copy of the Loan Request Confirmation for your records. Follow “Loan Processing Steps” below.

Loan Processing Steps

In general, once you verify the terms and submit your loan request it will be processed within one business day. You may check on your loan request by clicking on Loan Application Status under Loans in the drop-down menu on the top of your screen on the website. Loan checks are generally mailed within three business days from the date your loan is processed. The loan check will be mailed to the address shown on the loan request screen. If this address is incorrect, please contact USI Consulting Group (see contact information to the left) before submitting your loan request.

You will receive a Promissory Note and Disclosure attached to your loan check. By signing the loan check, you acknowledge receipt of this documentation and agree to all terms of the loan. This paperwork should be retained for your records.

Loan Repayment

Plan loans must be repaid. When you apply online, and choose how much you would like to borrow, you will be informed of the amount that will be withheld, after tax, from your County paycheck, and for how long. Please note, in planning your loan that the repayment is in addition to your 6% mandatory pre-tax employee contribution. When you take a loan, you have both deductions from your paycheck.