As a participant in the 403(b) retirement plan adopted by your employer, you may be able to borrow a portion of your vested account balance for a term of one to five years (up to 10 years for a loan to purchase your primary residence). The loan program adopted by your employer is available on a uniform basis to all plan participants who meet loan qualification requirements. For additional information about the loan program available under your employer’s plan, contact the loan program administrator listed below.

**NOTE:** If your employer is required to provide you with a Summary Plan Description (SPD), this Loan Information Sheet constitutes part of the SPD of your 403(b) Plan and should be kept with your other SPD documents.

**PLAN LOAN INFORMATION**
- **Plan Name:** Drury University 403(b) Retirement Plan (formerly the Drury University Defined Contribution Retirement Plan)
- **Plan Number:** 103982/103983
- **Plan Year End:** 5/31

**EFFECTIVE DATE**
- The effective date of the plan loan program is **February 1, 2013**

**LOAN PROGRAM ADMINISTRATOR**
- The person responsible for administering your loan program is **Benefits Manager, Drury University**
- Your loan program administrator may be reached at the following address and/or telephone number:
  - 900 North Benton Avenue
  - Burnham Hall 107
  - Springfield, MO 65802

**LOAN APPLICATION PROCEDURE**
- To apply for a loan under this plan, you must complete and return to the loan program administrator a Loan Application, furnishing all information requested and pay any required loan application processing fees. In addition, you must follow the procedures described below (specify). Contact loan provider, TIAA-CREF

**LIMITATIONS ON TYPES OF LOANS**
- Loans from this plan may be used for the following purposes:
  - [x] all
  - [ ] purchase of your principal residence
  - [ ] post-secondary tuition for you or your immediate family
  - [ ] medical expenses for you or your immediate family
  - [ ] rent or mortgage payments to prevent eviction or foreclosure from your principal residence
  - [ ] funeral expenses
  - [ ] uninsured damage to principal residence (under code Sec. 165)
  - [ ] other (specify)

**SOURCE OF FUNDS AVAILABLE FOR LOANS**
- The following sources of funds are available for loans from this plan:
  - [x] Pre-Tax Elective Deferrals that are:
    - [x] Matched by the Employer.
    - [ ] Not matched by the Employer.
  - [ ] Nondeductible Employee Contributions that are:
    - [ ] Matched by the Employer.
    - [ ] Not matched by the Employer.
  - [ ] Mandatory Employee Contributions that are:
    - [ ] Matched by the Employer.
    - [ ] Not matched by the Employer.
  - [x] Matching Contributions and Employer Contributions.

**LOAN APPROVAL STANDARDS**
- Decisions approving or denying loans from this Plan will be based on the following criteria:
  - [x] the value of your vested individual account balance
  - [ ] other (specify)

**NOTE:** Loan approval basis selected must not cause loans to be made available on a discriminatory basis.

The maximum number of outstanding loans permitted at any time is: **three (3)**
LOAN PRINCIPAL LIMITATIONS

Generally the minimum loan amount is $1,000 and the maximum loan amount is $50,000. The maximum amount you can borrow may be less, however, depending on two factors: 1) the amount of your accumulation, and 2) whether you have had any other loans from any of this Employer’s plans within the last year.

If you have not had a plan loan in the previous year, your maximum loan cannot exceed
1) the lesser of one-half of your vested account balance or $50,000;

If your loan is from your TIAA-CREF Annuity, your maximum loan amount is further limited to
1) 45% of your combined TIAA and CREF accumulation attributable to participation under this plan; or
2) 90% or your CREF and TIAA Real Estate accumulation attributable to participation under this plan for RL loans or
3) 90% of your TIAA Annuity accumulation attributable to participation under this plan for a GSRA loan.

If you have had another loan from any plan of this Employer within the last year, the maximum you can borrow will be reduced by that amount. In addition, if you default on a loan, your right to a future loan may be restricted. Further, the maximum loan amount will be reduced by the amount in default (plus interest) until the defaulted amount can be deducted from your accumulation. Also, if more than one employer contributed to your TIAA-CREF Annuities, you can only take loans against the amount you accumulated under this Employer’s plan. You should check with your other employers for their rules on loans. Loans using your TIAA-CREF mutual funds are limited to 3 at any one time (from all plans of all employers).

INTEREST CALCULATION

Interest on loans from this plan will be computed on the following basis for retirement plans using the Group Supplemental Retirement Unity-Annuity (GSRA) contract:

- The interest rate is variable and can increase or decrease every three months. The interest rate you pay initially will be the higher of 1) the Moody's Corporate Bond Yield Average for the calendar month ending two months before your loan is issued; or 2) the interest rate credited before your annuity starting date, as stated in the applicable rate schedule, plus 1 percent. Thereafter, the rate may change quarterly, but only if the new rate differs from your current rate by at least ½ percent.

Interest on loans from this plan will be computed on the following basis for retirement plans using the Retirement Loan (RL) contract:

- For all Employers except those located in Arkansas, Hawaii, or New Jersey:
  - The interest rate you pay initially will be the higher of 1) the Moody’s Corporate Bond Yield Average for the calendar month ending two months before your loan is issued; or 2) the interest rate credited before your annuity starting date, as stated in the applicable rate schedule, plus 1 percent. Thereafter the rate will change annually, but only if the Moody’s Corporate Bond Yield Average for the calendar month ending two months before the anniversary of your loan differs from your current rate by at least a half percent. If the latest average differs by less, your interest rate will remain the same for the next year.
- For Employers located in Arkansas, Hawaii, or New Jersey:
  - The interest rate will be a fixed rate of 8 percent.

Interest on loans from this plan will be computed on the following basis for retirement plans using your TIAA-CREF mutual funds:

- The interest rate will be fixed for the term of the loan and will be equal to the Federal Reserve Board Bank prime loan rate plus 1% at the time of the loan origination.

COLLATERAL PLEDGE

A percentage of your vested account balance equal to the amount borrowed divided by your vested account balance is pledged as security for repayment of loans under this program.

DEFAULT PROVISIONS

The following are deemed to be acts of default under your 403(b) loan program:

- failure to remit payment in a timely manner as required under the Loan Agreement
- breach of any of your obligations or duties under the Loan Agreement
- termination of employment (for mutual fund loans only)
- other (specify)

Upon default, your loan program administrator is entitled to foreclose its security interest in your vested account balance pledged for repayment upon the occurrence of an event which triggers a distribution of your benefits.

In addition, the loan program administrator will report as taxable any amounts in default (which will generally include your entire outstanding loan balance plus accrued interest) – as a result of your failing to make timely loan payments. And if you are under age 59½, this could further result in a 10% penalty.