Loans from the Bentley University Retirement Plan

Effective Date: July 13, 2012

Loans are available from both the TIAA and Fidelity programs within the Plan. Active employees and other parties-in-interest who have an account balance under the Plan may be eligible for a loan. Youmay borrow against your own salary deferrals (and applicable gains) to the Plan as well as against any rollover money that you may have brought into the Plan. You may not borrow against University Contributions that Bentley has made on your behalf (or gains thereon). The minimum loan is $1,000 and you may have up to three loans outstanding at anytime (provided all other requirements are met). You may select a loan duration of 1 to 5 years. If the loan is to purchase your primary residence, then an extended duration of up to 10 years is available. Note that all loans must be authorized by the appropriate Plan vendor and consented to by your spouse (if married).

Since TIAA and Fidelity maintain slightly different loan provisions, the following chart highlights thekey differences surrounding the three loan programs for your reference. **Please contact the vendor with whom you have invested your account for more information on loan terms, availability and sample payment modeling and to initiate a loan.**

	TIAA	**Fidelity**
Maximum loan	45% of balance not to exceed $50,000 aggregate of all loans outstanding in any 12 month period	50% of balance not to exceed $50,000 aggregate of all loans outstanding in any 12 month period
Repayments	Monthly or quarterly – Due the 1st of the month	Monthly – Due the 15th of month
Type of payment	ACH debit if monthly or by personal check or ACH debit if quarterly	ACH debit
Collateralized or non-collateralized	Yes – 110% of loan amount. This means that an equal to 110% of the amount of the outstanding loan balance must be maintained in the TIAA Traditional account throughout the loan repayment period.	No – The pledge is to repay the borrowed amount with no collateral requirement.
Interest Rate	Set to Moody's Corporate Bond Yield Average, changed quarterly if Moody's increases or decreases by more than 0.5%. Minimum of 4%	Prime plus 1%. Set for the life of loan.
Fee		**$75** initial processing fee and **$6.25** per quarter
Other costs	Any difference between the interest rate at which the loan is being paid back (if higher) and the interest rate being earned on the collateral (held in the account) is a potential cost to the participant.	While less tangible, there is an opportunity cost; funds are not actively invested while they are outstanding as a loan.