

Sec. 55. Loans to Participants.

- (1) If the employer has elected in the Adoption Agreement to make loans available to participants, a participant may apply for a loan from the defined contribution plan pursuant to uniform guidelines that have been approved by the plan administrator and subject to IRC 72(p). The employer shall establish a written policy governing the granting of loans that is not inconsistent with the provisions of this Article, and which makes loans available to all participants on a reasonably equivalent basis. If the employer has elected in the Adoption Agreement to make loans available to participants, loan repayments will be suspended under the defined contribution plan as permitted under 414(u)(4) of the IRC.

- (2) Beginning January 1, 2009, to the extent required by 414(u)(12) of the IRC, an individual receiving differential wage payments (as defined under 3401(h)(2) of the IRC) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under 415(c) of the IRC. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.