

How to Request a **POLICY LOAN** and Repay It

Policy loans can be beneficial, although they are sometimes misunderstood. When your clients take a loan, they aren't actually borrowing money from their policy but from Mutual Trust's general fund. The cash value in their policy serves as loan collateral. As a result, the guaranteed value in their policy continues to grow uninterrupted!

The following tips will help you guide your clients in accessing policy loans using their whole life policies and enjoying their living benefits throughout life!

Procedures for Requesting a Loan

- Check the amount of cash value available for a loan by:
 - Reviewing the policy's financial information on the Agent Website, or
 - Contacting Policy Owner Services

Important Information about the Impact of Premium Payments on Policy Loans

- If a direct-billed premium is due at the time of the loan, the premium will be paid by loan first which may reduce the total amount available for the loan.
- To ensure that payments are captured, there is a 7-business-day waiting period after we receive any policy payment (premium or loan) before a loan request can be processed.
- Complete the *Policy Loan Request and Agreement* (Form No. 6106), available from the Agent Website, agent.mutualtrust.com, or Policy Owner Services

- Submit the loan request form via
 - Message & Document Upload Center on the Agent Website,
 - Fax to Policy Owner Services at 1-800-522-0449, or
 - Mail to the Home Office at 1200 Jorie Blvd., Oak Brook, IL 60523-2269, Attn: Policy Owner Services
- To avoid potential delays:
 - Complete the form accurately
 - Submit the Policyowner's valid driver's license or state ID in case of a discrepancy with the signatureAlso, remember to check for recent or upcoming premium payments on the policy. There is a 7-business-day waiting period after we process any policy payment before disbursing loan funds.
- Once the completed form is received in the Home Office, Policy Owner Services usually processes the request within 5 business days.

Keeping Transactions Secure

Mutual Trust is diligent in our processes to help maintain the integrity and security of policy transactions. As a result, please keep the following in mind concerning policy loans:

- If we need additional information before disbursing funds, we will contact the Policyowner directly (even if you have been handling the process for them).
- We will verify your identity if you call us regarding a policy loan for one of your Policyowners. Please be prepared to provide your agent number or the last 4 digits of your Social Security number. Also, please have the policy number available when you call as many Policyowners have multiple policies.

- The safest and most convenient way for Policyowners to receive disbursements is through direct deposit. These disbursements can be made to a Policyowner account that we have on file. Be sure to indicate direct deposit on the Policy Loan and Request and Agreement form. Direct deposit takes up to 3 business days after processing for the funds to be available in the Policyowner's bank account.

Process for Repaying

- Mutual Trust does not require a formal repayment structure, but recommends that loans are paid back to ensure the original intent for the policy. An outstanding policy loan reduces both the cash value and death benefit by the amount of the outstanding loan and can lead to a policy's termination, without value.
- Loan repayments can be made
 - Through EFT on our quick and easy **Payment Portal** at mutualtrust.com. The Policyowner can simply login to the Online Policy Manager from any mobile device and follow the prompts.
 - By mail. Make checks payable to Mutual Trust Life Insurance Company and send, along with a Loan Repayment Slip, to: Payment Processing Center, 14228 Collections Center Drive, Chicago, IL 60693.
 - Debited monthly from their checking account by Automatic Loan Repayment (ALR). To set up an ALR, the Policyowner should complete the *Automatic Loan Repayment Request* (Form No. 1823) and submit it, along with a voided check, to the Home Office in Oak Brook, IL, or fax to 1-800-522-0449, or email to polycypayments@mutualtrust.com.

**Questions? Call Policy Owner Services
at 1-800-323-7320.**

*Mutual Trust producers are prohibited from giving tax or legal advice.
Your clients should consult with a Tax or Legal Advisor of their choice.*



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