

Second 401(k) Loans Are Now Available Through Empower

In response to the evolving coronavirus situation, we've made enhancements to various financial programs to get cash in your pockets during this unprecedented time. Through [BlueRetirement](#), Crewmembers may take out a 401(k) loan by borrowing a portion of your account balance as long as you meet the required minimum balance for the loan. Beginning today, Crewmembers can request a second loan which is managed by our record keeper Business Partner, Empower. This is available to both US and PR Retirement Plans.

For more information on taking a second 401(k) loan, please review the FAQs below.

Q: When can I take out a second loan from my BlueRetirement account?

A: If you already have an outstanding loan from your 401(k) account, you can request a second loan beginning **April 1, 2020**. Loan terms are generally from one month to five years and Principal Residence loans from five to thirty years. A Principal Residence loan can only be requested to purchase a primary residence and requires documentation.

Q: How much can I take out from my account as a second loan?

A: The minimum amount you can borrow from your account is \$1,000. The maximum amount is \$50,000 or 50% of your vested account balance (whichever is less). The maximum amount available is also reduced by your highest loan balance during the past 12 months. If you request a second loan, limits apply across both loans.

For example:

You have \$40,000 as your vested account balance and have a \$10,000 loan where your highest loan balance in the past 12 months was \$8,000. The maximum amount you can take out as a second loan is \$12,000.

50% x Vested Account Balance = Maximum Loan Amount available 50%
x \$40,000 = \$20,000

Maximum Loan Amount available - Highest loan balance in past 12 months = Second Loan Amount available
\$20,000 - \$8,000 = \$12,000

Visit [BlueRetirement.com](https://www.BlueRetirement.com) to model your loan availability or contact Empower for more information.

Q: Is there a fee for taking out the second loan?

A: There is a \$50 loan origination fee for new loans. A \$30 fee applies if you want the loan check to be sent via express delivery. On an ongoing basis, there is a maintenance fee of \$6.25 per quarter (\$25 per year) that will be deducted from your account balance.

Q: How do I request a second loan?

A: You can request a second loan online at [BlueRetirement.com](https://www.BlueRetirement.com) or over the phone with Empower at 1-844-728-3258 (8AM-10PM ET Mon-Fri; 9AM-5:30 ET, Sat).

Q: When do I need to start repaying my second loan?

A: In general, you will need to start repaying your loan via payroll deductions approximately 30 days after your loan is processed.

Q: Is there a waiting period for taking out a second loan?

A: No, there is no waiting period for taking out a second loan. However, there is a 10-day waiting period between loans if you pay off one of your loans and request a subsequent loan.

Q: I have a defaulted loan that I haven't paid off yet. Can I still take out a second loan?

A: Yes, you can still take out a second loan but you will need to complete and submit a paper loan form. You will not be able to request a second loan online.

Q: I transferred from the PR Plan to the US Plan recently and had an outstanding loan from the PR Plan. Can I request a second loan from the US Plan if my PR Plan loan is still outstanding?

A: Yes, in this case, you would be able to take out a second loan from the US Plan, the Plan you are currently eligible in. This also applies if you transferred from the US Plan to the PR Plan. You can only have a maximum of two loans across both Plans.