

457 LOAN – EARLY REPAYMENT PROCEDURES

General Information

You may pay your 457 loan in full prior to the completion of the loan's amortization schedule by making a **one-time payment** which completely pays off the loan. You may not make "extra" or partial payments in addition to those required by your loan amortization repayment schedule (unless by doing so you are paying off the loan balance in full by means of the one-time payment).

IT IS VERY IMPORTANT THAT YOU FOLLOW THESE PROCEDURES EXACTLY. FAILURE TO DO SO MAY RESULT IN OVERPAYMENT, UNDERPAYMENT, DELAY, OR NON-PAYMENT OF YOUR LOAN.

Loan Payoff Through Payroll Deduction

To make a one-time loan payoff by payroll deduction, you must do the following:

- ✓ Contact ICMA's Customer Service at 1-800-669-7400 to obtain the payoff balance of your loan **as of a specific future date.**
- ✓ Notify Dianne Bell in Payroll (phone 972 941-7616, e-mail dianneb@plano.gov) of the total loan payoff amount and the anticipated pay date the loan payoff should be processed. **The pay date selected for payoff must allow for timely payroll processing.**
- ✓ After the loan payoff has been processed, contact ICMA to verify your loan payoff has been correctly applied and your loan has been paid off. If you wish to obtain documentation of the loan payoff, contact ICMA.

Loan Payoff Through Direct Payment to ICMA

To make a one-time loan payoff directly to ICMA, you must do the following:

- ✓ Contact ICMA's Customer Service at 1-800-669-7400 to obtain the payoff balance of your loan **as of a specific future date.**
- ✓ Notify Dianne Bell in Payroll (phone 972-941-7616, e-mail dianneb@plano.gov) of the total loan payoff amount and the anticipated pay date the loan payoff should be processed. **The pay date selected for payoff must allow for timely stopping of your regular loan repayment deductions so you do not over-pay your loan balance.**

- ✓ Obtain a **cashier's check or money order only** in the **exact** amount of the loan payoff. Do not round any amount. Personal checks will not be accepted. Make the check or money order payable to Vantagepoint Transfer Agents -305870.
- ✓ **The reference line on the check MUST state "LOAN PAYOFF".** The check must also include on the front:

Plan #305870
Loan # _____
SSN (last four digits) _____

- ✓ **DO NOT MAIL THE LOAN PAYOFF CHECK TO ICMA'S WASHINGTON, D.C. ADDRESS** as that will delay the posting of your payoff. **Mail the payoff check to the following address ONLY:**

**Vantagepoint Transfer Agents – 305870
c/o M & T Bank
P. O. Box 64553
Baltimore MD 21264-4553**

- ✓ Contact ICMA to verify your loan payoff was received and your loan was paid off. If you wish to obtain documentation of the loan payoff, contact ICMA.