# WORLD WIDE TECHNOLOGY, INC. 401(K) PLAN

**LOAN POLICY & PROCEDURES**

Effective January 1, 2000, the Administrator for the World Wide Technology, Inc. 401(k) Plan (the “Plan”) adopted the following program for loans under the Plan, which shall thereafter form part of the Plan document.

1.0 Administration of the Participant Loan Program

Under the terms of the World Wide Technology, Inc. 401(k) Plan, the Administrator is authorized to administer the loan program. In its discretion, the Administrator may delegate its authority to an approved person in the Company’s Benefits or Human Resources Department.

2.0 Eligibility for Participant Loans

2.1 To be eligible to receive a loan from the Plan, a Participant must:

1. be an employee. However, if payroll deduction is not available for loan repayments for an employee, that employee may be required to provide proof that repayments will be made; and
2. have a vested account balance of at least $2,000.
	1. Loans are not available to an alternate payee under a Qualified Domestic

Relations Order (QDRO).

* 1. Loans are not available to an employee during the period when the

qualified status of a domestic relations order is being determined.

3.0 Purpose of Loan

A loan may be obtained for any purpose. See Section 8.0 below for the distinction in allowable repayment periods for general-purpose loans and residential loans, which are obtained specifically for the purchase of a principal residence of the Participant. The Administrator will require documentation to verify that a loan is being requested to pay for the purchase of a principal residence of the Participant.

4.0 Number of Loans

A maximum of one loan for any purpose may be outstanding per Participant at any time.

1. Frequency of Loans

If a Participant has one outstanding loan from the Plan, a second loan cannot be obtained until the outstanding loan is repaid in full.

1. Minimum Loan Amount

Each loan must be for at least $1,000.

1. Maximum Loan Amount

The maximum amount that a Participant can borrow from the Plan is an amount which would not exceed the lesser of:

1. $50,000 or
2. 50% of the vested portion of his or her account from which the borrowing is to be made (determined as of the date the loan is requested).
3. Repayment Periods of Loans
	1. The maximum term that a Participant may elect for the repayment of a general-purpose loan is five years.
	2. The maximum term that a Participant may elect for the repayment of a residential loan is thirty years.
	3. The minimum term for a loan is twelve months.
4. Interest Rate
	1. The interest rate will be set at the prime rate as listed on the last business day of each month in the Wall Street Journal + 1%.
	2. The interest rate for a Plan loan will be fixed on the day the loan is requested and will remain constant during the term of the loan.
5. Ordering Rules for Loans and Loan Payments
	1. A Participant’s loan shall be treated as being made from the Participant’s accounts on a pro-rata basis across all available sources
	2. Loan amounts will be withdrawn proportionately from the investment funds in which such accounts are invested in accordance with the value of the account.
	3. Loan repayments will be credited to the Participant’s Plan accounts from which such loan was made, in proportion to the ratio of the dollar amount loaned from each such account to the total dollar amount loaned.
	4. Loan repayments will be invested in the investment funds in accordance with the Participant’s most recent investment election for that account.
6. Procedures for Applying for Loans
	1. An eligible Participant, as defined in Section 2.0 above, may call the Merrill Lynch Voice Response System to request a loan from a Participant Service Representative between 8:30 AM and 4:00 PM eastern time on any business day. Loans requested after 4:00 PM eastern time are considered as requested on the next business day.
	2. If the loan is approved by the Administrator, it will be processed on the next business day after the request is made. The check will be sent directly to the Participant within 24 hours of the trades settling.

12.0 Loan Processing Fee

There will be a $50.00 loan origination fee deducted pro-rata across the funds in the Participant’s account at the time a new loan is processed, in addition there is an annual loan maintenance fee of $50 that is deducted pro-rata as well.

13.0 Security for Repayment of Plan Loans

A Participant’s repayment obligation with respect to a Plan loan shall be secured by a portion of his/her vested Plan account(s) equal to the amount of the loan. No other property shall be accepted as security.

14.0 Repayment of Loans

* 1. Loan repayments must be made via payroll deduction and will continue for the entire term of the loan until it is paid off.
	2. Loan repayments must be made in level installments of principal and interest.
	3. Loan repayments will begin with the second payroll period following the day the loan is processed.
	4. If the Participant subsequently is granted an unpaid leave of absence or ceases to have sufficient pay from which the loan payment can be made, he or she can continue level installment payments of principal and interest by bank check made payable to the World wide Technology, Inc. 401(k) Plan or through ACH recurring direct debit directly from their bank account.
	5. Loan repayments will be suspended during a period of Qualified Military Service as defined in Internal Revenue Code Section 404(u).
	6. There is a two-week waiting period from the time Participants pay off one loan before another loan can be processed.

15.0 Loan Considered an Investment of the Participant’s Plan Account

A Plan loan to a Participant shall be treated by the Plan as a separate investment of the account of the Participant, and

1. All interest received by the Plan with respect to such loan shall be credited to the Participant’s account.
2. All losses and expenses incurred by the Plan with respect to such loan (including, without limitation, any expenses of collection in the event of a default) shall be charged against the Participant’s account.
3. Prepayment of a Loan

A Participant may prepay a Plan loan, in full, at any time and without penalty, by bank check made payable to the World wide Technology, Inc. 401(k) Plan or through ACH direct debit directly from their bank account**.** Prepayment must be submitted to the Administrator, not directly to Merrill Lynch. Partial prepayment of a loan is not permitted.

17.0 Separation from Service

* 1. If a Participant separates from service for any reason they may continue payments on the loan through ACH recurring direct debit directly from their bank account. The payments will continue to be paid on the same schedule as when they were employed by World Wide Technology, Inc
	2. Unless the loan has already exceeded the maximum loan term, a Participant or the Participant’s beneficiary will have a period of three months following the date of Separation to repay the outstanding principal loan balance unless ACH recurring direct debit payments have been set up.
	3. If the loan has exceeded the maximum loan term or if the Participant or the Participant’s beneficiary does not repay the outstanding principal loan balance within the three-month period described in the preceding paragraph, the outstanding principal loan balance will be treated as a distribution from his or her Plan accounts, which may be taxable.

18.0 Leave of Absence or Layoff

* 1. A Participant who takes an approved, unpaid leave of absence or is on layoff, and returns to active employment will have their loan repayment payroll deduction re-activated by the second payroll period following the date he or she returns to active employment. The payroll deduction will be based upon the Participant’s original payroll deduction authorization. However, if the number of payments after re-activation of payroll deductions is not sufficient to cover the outstanding loan balance at the end of the maximum loan term described in Section 8.0 above, the loan payment amount will be recalculated so that the maximum loan term is not exceeded.
	2. When the Participant returns to active employment and the loan balance must be re-amortized for the outstanding balance to be repaid within the maximum loan term, the payroll deduction amount will be increased accordingly.
	3. Participants on a leave of absence do have the option of continuing to make their normal payments on the loan through ACH recurring direct debit directly from their bank account**.**
	4. A Participant who takes an unpaid leave of absence or is laid off for a period exceeding twelve months, or who does not return to active employment after an unpaid leave of absence or lay-off after twelve months has elapsed, will be treated as if a Separation from Service occurred for purposes of determining the default status of the loan, as described in Section 17 above.

19.0 Delinquent Loans & Defaults

* 1. A loan will be delinquent if the Participant misses a regularly scheduled payment and is not covered under the provisions of Sections 17.0 and 18.0 above.
	2. If the Participant does not make a payment on at least a quarterly basis, the Administrator will consider the loan to be in default on the last day of the calendar quarter following the calendar quarter in which the last payment was made. For example, if the Participant makes a payment in February and does not make another payment by June 30, the loan will be in default.
	3. In the event a loan is defaulted, the Plan Sponsor will consider the outstanding loan balance as a deemed distribution from the Plan, which may be a taxable event for the Participant.

20.0 Amendments

The Administrator reserves the right to amend this Loan Policy at any time for any reason.

1. Questions

Any questions regarding this Loan Policy should be addressed to your Administrator or Human Resources Representative.

1. Scope

This Loan Policy is not meant to interpret, extend or change the provisions of the Plan in any way. In any case in which the Loan Policy is inconsistent with the terms of the Plan, the terms of the Plan govern.