



Care and planning went into the process of determining the appropriate amount of insurance protection.

Take a moment to consider your current loan activity. In looking to the future, you may find the following information helpful in managing your policy loan(s).

A life insurance policy is a valuable asset.

And, the availability of loans from the cash value is a valuable policy feature. In fact, it may well have influenced the decision to purchase permanent life insurance. However, the loan does have an impact on both the present and future level of protection.

So, keep in mind that borrowing against your policy's cash value has a cost. Because borrowing reduces the net death benefit and the net cash value of your policy, your overall net policy values will be lower with the policy loan than if the loan had not been taken.

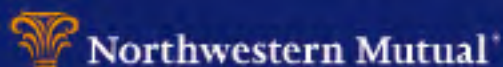
THE LOAN MANAGEMENT PROGRAM



look to the
future

The Northwestern Mutual
Life Insurance Company • Milwaukee, WI
www.northwesternmutual.com

18-1351 (0099) (REV 0706)





THE FUTURE IS HERE

It's easy to participate in the loan management program.

Just contact your Financial Representative, or call a Northwestern Mutual service provider at **1-800-388-8123** from 7:00 a.m. to 7:00 p.m. CT.

If you prefer, visit us online at www.northwesternmutual.com.

You can obtain a loan repayment request form from the list of online forms by clicking on: *Customer Center* | *Service Center* | *Life Insurance*

Please consider the following options:

- Add loan payments (\$10 monthly minimum) to your existing premium billing program (ISA) beginning on your next ISA payment date.
- Start a scheduled billing program for your loan on a monthly, quarterly, or semi-annual basis.
- Set up an Electronic Funds Transfer (automatic bank account withdrawals).
- Request loan repayment envelopes so you can submit payments at your convenience.

Reasons to Repay

Increase dividend performance Depending on the type of policy you have, full or partial repayment of your loan can have an effect on your dividends. With some policies, future dividends will increase as your loan balance decreases.

Restore policy values Policy values may be significantly reduced when there is an outstanding loan balance. Repay your loan and you will once again have financial resources available when you need them.

Restore full protection Proceeds paid to your beneficiary will be reduced by any outstanding loan balance. Repay your loan to restore the original level of protection you intended your insurance to provide.

Reduce interest payments A lower loan balance means lower annual interest charges. Unpaid interest is added to principal where it continues to accrue and compound; unchecked, it can cause a policy to terminate creating a potential tax liability. Repay your loan to prevent increasing interest.

Prevent potential adverse tax consequences If your loan balance exceeds the cash value, outside funds will be needed to avoid termination and a potentially significant tax liability. If your policy is surrendered or terminated, the entire gain in the policy will

become taxable to the policyowner even though the policy will have little or no value. In some cases, the tax may exceed the surrender proceeds. Loans from modified endowment contracts (and interest not paid in cash) are taxable as ordinary income to the extent of the gain in the policy. Repay your loan and prevent potential adverse tax consequences.

Repayment Options Northwestern Mutual offers a variety of ways to pay that won't overload your budget. You decide how much and how often, as well as the payment method that works best for you.

Installment or Lump Sum Choose an installment method where you make payments of any amount whenever it's convenient for you, or repay all at once with a lump sum payment.

Scheduled Billing Program If you prefer a regular schedule, Northwestern Mutual will bill you on a monthly, quarterly, or semi-annual basis. You can start loan repayment through a scheduled billing program with as little as \$10 a month. If you are already paying your premiums through our billing service, we'll simply add your loan payments to your existing program.

Electronic Funds Transfer For added convenience, consider having your scheduled payments made through automatic withdrawals from your bank account. Ask your Northwestern Mutual Financial Network Representative for details.

POLICY LOAN AGREEMENT

TO: POLICYOWNER SERVICES DEPARTMENT, LOAN AND SURRENDER DIVISION

IMPORTANT LOAN INFORMATION

The date of the loan shall be the date the Company processes the loan request. Any payments on policy debt shall be made at the home office.

Any outstanding loan balance will reduce the amount you or your beneficiary will receive upon surrender or death. If your policy is surrendered or terminated, your loan balance will be taxable as ordinary income to the extent it exceeds the basis of your policy. If there is not enough surrender value remaining in the policy to pay the tax, the tax will need to be paid with outside funds. Also, if the accumulated policy loan principal and interest can no longer be supported by the cash value, a required minimum out of pocket payment will be necessary, or the policy will terminate and trigger potentially significant taxable income.

For additional information, contact your Northwestern Mutual financial representative, the home office, or your tax advisor.

TAXPAYER IDENTIFICATION NUMBER AND WITHHOLDING INSTRUCTIONS (Complete section 3)

If your policy is classified as a modified endowment contract, the loan balance is taxable currently as ordinary income to the extent of the gain in the policy and may also be subject to an additional 10% penalty tax.

Under federal income tax law, if any portion of the payment you receive as a result of your execution of this form is reportable to the Internal Revenue Service ("IRS"), you will be subject to a withholding tax if you do not provide us with your Taxpayer Identification Number. Withholding taxes would also be imposed if the IRS notified us, before payment is made, that your Taxpayer Identification Number is incorrect. Generally for individuals, the Taxpayer Identification Number is the Social Security Number.

By January 31 of next year, you will receive a statement from us showing the taxable portion of the payment, if determinable from our records, or the full amount of the payment, and showing the total of any income tax withheld during the year. You can use the amount of any tax withheld as a credit for taxes paid when you file your income tax return.

When providing your Taxpayer Identification Number, **indicate your withholding election**. If withholding is elected, 10% of the taxable income amount will be withheld for federal taxes unless otherwise noted on the form.

If one of the withholding boxes is not checked, taxes will not be withheld.

PAYMENT INSTRUCTIONS (See sections 4-6)

DIRECT DEPOSIT: No Fee (Complete sections 3 and 4)

Direct deposit is convenient, secure, and saves time. This service is free of charge and is available for deposit into a checking or savings account. Funds should be available two banking days after the loan is processed at Northwestern Mutual. Please **attach a VOID check** for checking account deposits. Your bank is identified by a Transit Number also referred to as an ABA Number. This number is the first set of nine digits at the bottom of your check. The Transit/ABA Number will always consist of nine digits. Direct Deposit is not the same as a bank wire.

CHECK BY MAIL: No Fee (Complete sections 3 and 5)

The check will be sent via US mail the next business day after the loan is processed.

CHECK BY FEDERAL EXPRESS: \$15 Fee (Complete sections 3, 5 and 5A)

The check will be delivered via Express Mail or Fed-Ex (depending on the mailing address) two business days after the loan is processed. There is a \$15.00 fee which is deducted from the loan proceeds.

BANK WIRE: \$25 Fee (Complete sections 3 and 6)

The funds should be available one banking day after the loan is processed. Northwestern Mutual charges a \$25.00 wire fee, which will be deducted from the loan proceeds. Your bank may also charge you an additional wire fee. Please **verify** with your **bank** what **routing number** should be used for **incoming** wires.

APPLIED TO NORTHWESTERN MUTUAL CONTRACT: No Fee (Complete sections 3 and 7)

The funds can be used at the home office to pay a premium, apply to an Insurance Service Account (ISA) or to repay a loan.

OPTIONS FOR SUBMITTING A REQUEST OR OBTAINING INFORMATION

Fax: Completed form may be faxed to the home office at **414-625-1210**. The original form need **not** be sent to the home office.

Mail: Completed form may be mailed to Northwestern Mutual, Policyowner Services, Loan and Surrender, PO Box 3094, Milwaukee, WI 53201-9917

Call: **1-800-388-8123**, M-F 7:00 AM – 6:00 PM Central Time

POLICY LOAN AGREEMENT

TO: POLICYOWNER SERVICES DEPARTMENT, LOAN AND SURRENDER DIVISION

Policy Debt. The policy debt is the amount currently advanced plus any previous policy debt.

Interest. Interest shall be as provided by the policy or amendment thereto. Interest accrues and is payable on a daily basis from the date of the loan. Unpaid interest is included in the policy debt and is subject to interest on the same terms.

Assignment. The policy is assigned to the Northwestern Mutual Life Insurance Company as security for the policy loan.

Termination. If policy debt (including all interest accrued) shall on any date equal or exceed the cash value, the policy shall terminate, resulting in loss of coverage and possible adverse tax consequences. This will occur 31 days after a notice has been mailed to the Owner to the last known address and to any assignee on record at the home office.

1. CONTRACT INFORMATION *(Please Print)*

Policy Number(s): _____

Insured Name(s): _____

Owner Name *(Use Separate Form For Each Owner)*: _____

Owner's Daytime Telephone No.: () _____

2. REQUESTED AMOUNT *(Complete Only One)*

☐ Maximum Loan ☐ Specified Loan Amount \$ _____

3. TAX INFORMATION

OWNER TAXPAYER ID NUMBER

I elect to ☐ have ☐ not have federal or, if applicable, state income tax withheld from the above-requested payment. Under penalties of perjury, I certify that the number shown on this form is my correct Taxpayer Identification Number. (If no withholding selection is indicated, taxes will not be withheld.)

Owner's Current Legal State of Residence (Two Letter State Abbreviation): _____

PAYMENT INSTRUCTIONS:

Choose a method of delivery below. If no mailing directions are indicated, the check will be made payable to the owner and sent to the owner's address on record
Disbursements from trust owned contracts will be made payable to the trust only.

MAILING INSTRUCTIONS FOR STATEMENTS AND CHECKS

(If no Mailing Directions are indicated, Statement and/or Check will be sent to the Owner at the address on record.)

NAME	ADDRESS	
CITY	STATE	ZIP

☐ CHECK HERE IF THIS IS A PERMANENT ADDRESS CHANGE FOR: ☐ The Owner ☐ The Payer

4. DIRECT DEPOSIT *Within United States Only No Fee*

☐ I authorize Northwestern Mutual to electronically transfer the amount directly to the listed bank and deposit the proceeds into the specified account. Funds should be available two banking days after the loan is processed at Northwestern Mutual.

Bank Name: _____

Bank Transit Number: _____ Bank Account Number: _____

Name(s) as they appear on the account: _____

☐ Checking **ATTACH A VOID CHECK** ☐ Savings

5. CHECK BY MAIL *No Fee; if no mailing directions are indicated, the statement and/or check will be sent to the owner address on record. If no Payee is selected, proceeds will be made payable to the owner.*

Payee: ☐ Owner ☐ Insured ☐ Other (specify) _____

Address: _____

City: _____ State: _____ Zip Code: _____

☐ Check here if this is a permanent address change for: ☐ The Owner ☐ The Payer

5A. FEDERAL EXPRESS \$15.00 Fee

_____ (initial) I am aware a \$15.00 fee will be deducted from the loan proceeds ☐ Leave without a signature **OR** ☐ Signature required
Phone Number: (_____) _____ (Federal Express will call in case of delivery problems)

6. BANK WIRE \$25.00 Fee; Your bank may also charge an additional wire fee.

_____ (initial) I am aware a \$25.00 fee will be deducted from the loan proceeds. I authorize Northwestern Mutual to wire transfer the amount directly to the listed bank and **deposit** the proceeds into the specified account. *Funds should be received at the bank on the next business day after the loan is processed.* NOTE that international bank wires take an additional day of processing. **(Please complete banking information below)**

Bank Name: _____

Bank Wire Transit Number (Check with your bank for their specific transit number for wire transfers): _____

Name(s) as they appear on the bank account: _____

Bank Account Number: _____

7. PAYMENT APPLIED TO NORTHWESTERN MUTUAL CONTRACT(S)**A. Pay Policy(ies) Premium or Credit ISA(s) Surplus**

<input type="checkbox"/> Credit ISA Surplus	ISA Number	_____	Amount \$	_____
<input type="checkbox"/> Pay ISA Premium	Policy Number	_____ to _____	Amount \$	_____
		(MM/DD/YYYY)		
<input type="checkbox"/> Pay Premium	Policy Number	_____ to _____	Amount \$	_____
		(MM/DD/YYYY)		
<hr/>				
<input type="checkbox"/> Credit ISA Surplus	ISA Number	_____	Amount \$	_____
<input type="checkbox"/> Pay ISA Premium	Policy Number	_____ to _____	Amount \$	_____
		(MM/DD/YYYY)		
<input type="checkbox"/> Pay Premium	Policy Number	_____ to _____	Amount \$	_____
		(MM/DD/YYYY)		
<hr/>				
<input type="checkbox"/> Credit ISA Surplus	ISA Number	_____	Amount \$	_____
<input type="checkbox"/> Pay ISA Premium	Policy Number	_____ to _____	Amount \$	_____
		(MM/DD/YYYY)		
<input type="checkbox"/> Pay Premium	Policy Number	_____ to _____	Amount \$	_____
		(MM/DD/YYYY)		

B. Apply to Loan Balance

<input type="checkbox"/> Policy Loan	Policy Number	_____	Amount \$	_____	Principal \$	_____	Interest \$	_____
<input type="checkbox"/> Premium Loan	Policy Number	_____	Amount \$	_____	Principal \$	_____	Interest \$	_____
<hr/>								
<input type="checkbox"/> Policy Loan	Policy Number	_____	Amount \$	_____	Principal \$	_____	Interest \$	_____
<input type="checkbox"/> Premium Loan	Policy Number	_____	Amount \$	_____	Principal \$	_____	Interest \$	_____

SIGNATURE INSTRUCTIONS**Personal Policyowner**

Policyowner must sign name as it appears in the policy contract. If the policy is jointly owned, all policyowners must sign.

Business/Entity Owner(s)

When signing on behalf of a business or entity, the signor must be someone authorized to conduct business other than the Insured. The name of the business/entity must be printed above the signature. If the Insured is the only one authorized to sign, a Statement of Apparent Authority form (18-1757) needs to be completed and submitted with this form.

Trust – Owner(s)

The form must be signed by the authorized trustee(s) and the title “**Trustee**” must appear after each trustee’s signature. The name of the trust must be printed above each trustee signature. DISBURSEMENTS FROM TRUST OWNED CONTRACTS WILL BE MADE PAYABLE TO THE TRUST ONLY.

Assigned Policy(ies)

- 1) If the policy is assigned, both the assignee and the owner must sign.
- 2) If the assignee is a **business or entity**, the signor must be someone authorized to conduct business other than the insured. The assignee must sign the form, and their “**title**” must appear after the signature. The name of the business/entity must be printed above the signature.
- 3) If the assignee is a **personal assignee**, the assignee must sign his/her name as it appears on the assignment. If the policy is jointly assigned, all assignees must sign.

8. DATE AND SIGNATURE(S) OF OWNER(S), TRUSTEE(S) AND/OR ASSIGNEE(S)

I have read this entire form (*pages 1 through 3 and the Instructions page*) and I understand the potential tax consequences of this loan and effect of the loan on the policy(ies) noted within.

PERSONALLY OWNED

Signature of Personal Owner	Print or Type Name	Date Signed (MM/DD/YYYY)
Signature of Personal Owner	Print or Type Name	Date Signed (MM/DD/YYYY)
Signature of Personal Owner	Print or Type Name	Date Signed (MM/DD/YYYY)
Signature of Personal Owner	Print or Type Name	Date Signed (MM/DD/YYYY)

BUSINESS/ENTITY OWNED

When signing on behalf of business or entity, signor must be someone other than the Insured.

Signature of Authorized Company Representative	Print or Type Name of Business/Entity and Title	Date Signed (MM/DD/YYYY)
Signature of Authorized Company Representative	Print or Type Name of Business/Entity and Title	Date Signed (MM/DD/YYYY)

TRUST OWNED

Disbursements from trust owned contracts will be made payable to the trust only.

Signature of Trustee	Print or Type Name of Trust	Date Signed (MM/DD/YYYY)
	Print or Type Name of Trustee	
Signature of Trustee	Print or Type Name of Trust	Date Signed (MM/DD/YYYY)
	Print or Type Name of Trustee	

ASSIGNED

Signature of Assignee	Print or Type Name of Assignee	Date Signed (MM/DD/YYYY)
Signature of Assignee	Print or Type Name of Assignee	Date Signed (MM/DD/YYYY)

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