

Part 1: Loan Module Set-up

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All of the first links shown are from the Plan Compliance Menu, the homepage for the compliance software, at the top right of the home screen.

Prior to working in the loan module, you should set-up loan distribution hierarchies for sources and investment accounts. Note that loans are tracked as an investment in the ftwilliam software.

1.1. Loan Module Setup - Sources

You first need to add a loan fund as an investment account. Select: 'Plan Specifications', then Edit'. Click the 'Work with Sources/Investment Accounts' link. Select 'Yes' for 'Use Investment Accounts to track Participant balances'.

You should see a list of all sources allowed by the plan on this screen. If not, click the 'Add Default Sources' link. Suppress any sources that are not used. Next click the 'Loan Source Distribution/Hierarchy' link. This is where you can indicate which sources are available for loans. Click 'Update'.

Select either 'Pro Rata' (across all available sources), or 'Ordering Rule' for the way loans are distributed. If you select the latter you will need to enter sequence numbers to indicate how the sources should be ordered when a loan distribution is processed - the loan will be taken from the source with the lowest number first. Click 'Update', then close the window and return to the source setup screen.

1.2. Loan Module Setup - Investment Accounts.

Click the 'Work with Investment Accounts' link. On the Inv Account Setup screen, add a loan fund as an investment option. Suggested Account ID is 'Loan', 'Account Name' and 'Account Description' can both be 'Loan Fund'. Whatever you enter as the account name is what will show on the financial reports and participant statements. 'Type' should be 'Cash'.

Q.S. Tip: You will need at least one other investment account in addition to the loan fund; for more detail on setting up investment accounts, please see the full User Guide or the Quick Start Guide.

Still on the Inv Account Setup screen, click on 'Loan Inv Account Distribution/Hierarchy'. This is where you indicate which of the investment accounts is the loan fund, and which accounts allow loans; note that the loan fund should NOT be available for loans. When you have made changes to this screen, click 'Update'.

Also on this screen, select either 'Pro Rata' or 'Ordering Rule' for the way loans are distributed from the available accounts. Pro-rata means the loan will be taken pro-rata from all available accounts; to use the Ordering Rule you will need to enter sequence numbers to indicate how the investments should be ordered when a loan distribution is

processed - the loan will be taken from the account with the lowest number first. Click 'Update' when you are done.

If all investments can be used with all sources, check the 'Add all Investments to all Sources' box. Close the investment accounts window; if you did not add all investments to all sources you will need to indicate which investment accounts can be used with each source - note that you can add investment accounts to multiple sources at once by selecting them and using the 'Do with selected' drop-down.
