

# Solo(k) Loan Monitoring

## Upcoming Change

We want to inform you of upcoming changes to our loan monitoring processes. While no immediate action is required from you or your clients, we believe it's important to notify you well in advance to ensure a smooth transition.

If you have clients with Solo(k) loans, you should have already been contacted by our team before this announcement. These changes will come into effect for the 2025 tax year. Please know that we will continue to offer full support for loan monitoring through the end of 2024.

### What to Expect

In November, we will mail a letter to affected end clients outlining the upcoming changes. Our goal is to provide ample time for preparation, and we will provide additional reminders and details as we approach the new year.

### What's Not Changing

- We will continue issuing 1099-R forms for processed loan defaults.

### What's Changing in 2025

- We will no longer be sending quarterly letters to participants about possible delinquent loans.
- Loan monitoring against amortization schedules will be discontinued.
- Trustees and Plan Administrators will be responsible for instructing Axos Advisor Services to default loans if a loan becomes taxable according to IRS guidelines.

### Help & Support

We are committed to supporting you throughout this transition. If you have any questions or need assistance, please don't hesitate to reach out to your Client Service Advocate.

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**Investment Products: Not FDIC Insured - No Bank Guarantee - May Lose Value.**

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