

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS)
PUBLIC HEALTH SERVICE (PHS) HEALTH RESOURCES AND SERVICES ADMINISTRATION
BUREAU OF HEALTH PROFESSIONS

NURSING STUDENT LOAN PROGRAM MASTER PROMISSORY NOTE
(MULTI-YEAR)

FOR LOANS MADE ON OR AFTER NOVEMBER 13, 1998

I, _____ **(First Name) (M.I.) (Last Name)**, hereinafter called the Borrower, promise to pay to University of North Dakota hereinafter called the Institution, located at Grand Forks ND, the sum of such amounts as may from time to time be advanced to me and endorsed in the Schedule of Advances below with interest at the rate of Five (5) percent per annum together with all attorney's fees, collection agent costs, and other related costs and charges for the collection of any amount not paid when in default according to the terms of this Promissory Note.

The Borrower and Institution further understand and agree that:

- 1.) **Consolidation (42 CFR 57.208)**: If the Institution makes more than one loan, with the same repayment terms, to the Borrower under the Nursing Student Loan program, the sum of the amounts advanced to the Borrower shall be consolidated for purposes of repayment. Each payment made by the Borrower to the Institution shall be applied first to interest which has accrued on the unpaid principal balance and then to the principal sum of the total loan.
- 2.) **Repayment (Section 836 Public Health Service Act, 42 CFR 57.310)**:
 - a. Repayment shall be made in equal or graduated periodic installments within a ten year repayment period, except that the Institution may require repayment to be made in an amount equal to not less than \$40 per month. The ten year repayment period begins nine months after the Borrower ceases to be a full-time or half-time student (as defined by the institution) at a school eligible to participate in the Nursing Student Loan program. Periods of authorized deferment are not included as part of the ten year repayment period
 - b. The terms and conditions of repayment shall be set forth in a separate repayment period schedule which is approved by the Institution and agreed to by the Borrower. Payments under the repayment schedule shall be made to the Institution or its representative no less often than quarterly, except that if the Borrower is more than 60 days past due on a payment, the remaining balance of the loan shall be repaid on a monthly basis.
- 3.) **Interest (Section 836 Public Health Service Act, 42 CFR 57.310)**: Interest shall accrue from the beginning of the repayment period.
- 4.) **Deferment (Section 836 Public Health Service Act, 42 CFR 57.310)**: Periodic installments of principal and interest need not be paid, and interest shall not accrue, while the Borrower: (a) serves on active duty as a member of a uniformed service of the United States, for up to three years; (b) serves as a volunteer under the Peace Corps Act, for up to three years; and (c) pursues, for up to ten years, a full-time or half-time course of study at a collegiate school of nursing leading to a baccalaureate degree in nursing or equivalent degree, or a graduate degree in nursing, or otherwise pursues advanced professional training in nursing or training to be a nurse anesthetist. Advanced professional training shall include full-time or half-time training, beyond the first diploma or degree in nursing received by the particular borrower, of at least 1 academic year which will advance the borrower's knowledge of and strengthen his or her skills in the provision of nursing services.
- 5.) **Prepayment (42 CFR 57.310)**: The Borrower may, at his or her option and without penalty, prepay all or any part of the principal and accrued interest at any time.
- 6.) **Exit Interview (42 CFR 57.310)**: The Borrower agrees to attend an exit interview prior to completing or terminating full or half-time student status at the Institution.
- 7.) **Default (Section 835 Public Health Service Act, 42 CFR 57.302)**: If the Borrower fails to make an installment payment when due or fails to comply with any other term of this Promissory Note, the loan will be considered in default.
- 8.) **Late Charge (Section 836 Public Health Service Act, 42 CFR 57.310)**: The Institution shall assess a late penalty charge for failure of the Borrower to pay all or any part of an installment, or for failure to file satisfactory evidence of entitlement to deferment, if so entitled, at a rate, not to exceed an amount equal to 6 percent, as determined by the Institution, of the amount of such installment, on loans more than 60 days past due.
- 9.) **Acceleration (42 CFR 57.308)**: If the Borrower fails to make a scheduled repayment or fails to comply with any other terms of this Promissory Note, the entire unpaid balance of the loan, including interest due and accrued and any applicable penalty charges, will, at the option of the Institution, become immediately due and payable.
- 10.) **Credit Bureaus (42 CFR 57.310)**: The Institution may disclose the Borrower's loan, and any other relevant information, to credit bureaus. If the Borrower is more than 120 days past due in making a scheduled repayment, the Institution will disclose the Borrower's delinquent status and any other relevant information to credit bureaus.
- 11.) **Collection Agents, Litigation, and Withholding of Services (42 CFR 57.310)**: If the Borrower fails to make a scheduled repayment, or fails to comply with any other term of this Promissory Note, the Institution may: (a) refer the Borrower's loan to a collection agent for further collection efforts; (b) initiate legal proceedings against the Borrower; (c) withhold Institutional services, such as transcripts and letters of recommendation, from the Borrower; (d) refer the Borrower's loan to the Secretary of the U.S. Department of Health and Human Services (DHHS) for collection assistance, including offset of Federal salaries; and (e) obtain the Borrower's address from

the Internal Revenue Service, through the Secretary of DHHS, if the Institution has no current address for the Borrower.

12.) **Death or Disability (Section 836 Public Health Service Act, 42 CFR 57.311):** In the event of the Borrower's total and permanent disability or death, the unpaid indebtedness remaining on the Promissory Note shall be canceled.

13.) **General:** The Borrower will promptly inform the Institution of any change in name or address after he or she ceases to be a full-time student or half-time student at the Institution. The terms of this Promissory Note shall be construed according to the Federal statute and regulations governing the administration of the Nursing Student Loan program, copies of which shall be kept by the Institution.

Notice About Subsequent Loans Made Under This Master Promissory Note

This Note authorizes the Institution to disburse multiple loans during the multi-year term of this Note upon the Borrower's request and upon the Institution's determination of the Borrower's loan eligibility.

Subsequent loans may be made under the Note for the same or subsequent periods of enrollment at this Institution. The Institution however, may at its discretion, close this Note at any time and require the Borrower to sign a new Note for additional disbursements. If the Institution chooses to make subsequent loans under this Note, no such loans will be made after the earliest of the following dates: (i) the date this Institution receives the Borrower's written notice that no further loans may be made disbursed under this note; (ii) the date of withdrawal from the Institution by the Borrower.

Any amendments to the Public Health Service Act governs the terms of any loans disbursed on or after the effective date of such amendment, and such amended terms are hereby incorporated into this Note.

NOTICE: The Institution must require security or endorsement if the Borrower is a minor and if, under the applicable State law, the Note signed by him or her would not create a binding obligation. The Institution may not require security or endorsement in any other circumstances. The Institution shall supply a copy of this Note to the Borrower.

WARNING: Any person who knowingly makes a false statement or misrepresentation in obtaining these funds is subject to penalties which may include fines and imprisonment under Federal statute.

I agree to the terms and conditions of this Promissory Note

_____/_____/_____
(Signature of Borrower) (Date)

(Address)

(City State Zip)

_____/_____/_____
(Social Security Number) (Date of Birth MM/DD/YYYY)

I accept use of this form as my Master Promissory Note for all loans received under the Nursing Student Loan (NSL) program.

<input type="checkbox"/>	YES	Borrower Initial	<input type="checkbox"/>	NO	Borrower Initial
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_____/_____/_____(School Entrance Date) _____ (Borrower Initial)

_____/_____/_____(School Exit Date) _____ (Borrower Initial)

ENTRANCE INTERVIEW PERSONAL DATA INFORMATION

Student Loan Borrowers must complete the following information. Return the completed information sheet to UND Student Account Services at: 264 Centennial Drive, Stop 8373, Grand Forks, ND 58202-8373

Name _____ Soc. Sec. # _____
Last First Middle

Permanent Address _____
Street City State Zip

Local Address _____
Street City State Zip

Home Phone _____ Work Phone _____ Birth Date _____

Cell Phone _____ E-Mail _____

Expected Graduation Date _____ College Major(s) _____

Employer's Name & Location _____

Spouse Name _____ Employer _____

Spouse's Parent Name _____

Address _____ Employer _____

The following information is for address verification only.

Father, Stepfather or Guardian _____ Home Phone _____

Address _____

Mother, Stepmother or Guardian _____ Home Phone _____

Address _____

List three references, other than the names already listed above, who will most likely know your address.

1. Name _____ Phone _____ Relationship _____

Address (Street, City, State, Zip)

2. Name _____ Phone _____ Relationship _____

Address (Street, City, State, Zip)

3. Name _____ Phone _____ Relationship _____

Address (Street, City, State, Zip)

I certify that the above information is correct and complete and I hereby authorize verification by the Student Loan Service Center, NDUS.

XXXX

Signature of Student Borrower

Date

Revised 05/11/2006

ENTRANCE INTERVIEW FOR STUDENT LOANS

A Health Professions or Nursing Student Loan is a **SERIOUS LEGAL OBLIGATION**, therefore, it is **EXTREMELY IMPORTANT** that you understand your rights and responsibilities as a loan borrower.

When you, the student borrower, sign this statement it means that you do understand the responsibilities and that you agree to honor them.

1. I understand that I must, without exception, report any of the following changes to the University of North Dakota Student Account Services:
 - a) If I withdraw from school.
 - b) If my address, or my parent's address changes.
 - c) If I drop below full-time status for Health Profession or half-time status for Nursing students.
 - d) If my name should change.
 - e) If I transfer to another school.
 - f) I join the military service or Peace Corps.
2. I understand that when I graduate or withdraw from the University of North Dakota I **MUST** arrange for an exit interview by contacting Student Account Services at Room #204 Twamley Hall, (701) 777-3911
3. I understand that my minimum monthly payment could be at least \$40.00 and will be due 12 months for Health Professions, 9 months for Nursing Loans (this may change according to the terms listed on my promissory note or addendum) after I cease to be a full-time or a half-time student. The minimum monthly payment may be more if the amount borrowed is sufficient to require larger payments. A repayment schedule will be sent to me following the exit interview.
4. I understand that the **ANNUAL PERCENTAGE RATE OF 5%** will be the **FINANCE CHARGE** based on the unpaid balance and that it will begin to accrue 12 months for Health Professions after I cease to be enrolled as a full-time student or 9 months for Nursing after I cease to be enrolled as at least a half-time student.
5. I understand that cancellation may be granted for special conditions according to the terms shown on my loan promissory note in the event of my death or permanent total disability.
6. I understand that deferment of payment will be granted for the following periods:
 - a) Full-time or half-time enrollment in a collegiate nursing program leading to a baccalaureate degree or graduate degree in nursing; or Pursuing advanced professional training in nursing, or training to become a nurse anesthetist (up to 10 years)
 - b) Peace Corps volunteer. (3 yrs)
 - c) For active duty military service (3 yrs)
7. I understand that, per Federal Regulation (Section 467), my loan status will be reported to the national credit bureaus on a monthly basis. If I fail to repay any loan as agreed, the total loan may become due and payable immediately, be referred to a collection agency and legal action could be taken against me. I also understand that if I fail to repay my loan as agreed, a **HOLD** will be put on my University of North Dakota records so that I will not be allowed an official transcript or be allowed to register for any University of North Dakota classes.
8. I understand that I will promptly answer any communication from the University of North Dakota and/or the Student Loan Service Center, NDUS located in Fargo, regarding the loan.
9. I understand that I may prepay at any time, without penalty. I further understand that prepayments will save on the total amount of interest charged on the loan.
10. I understand that if I cannot make payments on time, I must contact the Student Loan Service Center, NDUS at NDSU Dept 3180, PO BOX 6050, Fargo ND 58108-6050 (phone 701-231-9545 or 800-698-7397) to make arrangements.
11. I understand a penalty charge may be assessed against my account if I fail to make timely payment of all or part of a scheduled installment, or if I am eligible for deferment but fail to submit the appropriate request form on time.
12. I understand that I must see my promissory note or addendum for any additional information regarding nonpayment and default.
13. I understand that I have the right to request an itemization of the amount financed and a copy of the promissory note and/or addendum and this statement by contacting the University of North Dakota Student Account Services or the Student Loan Service Center, NDUS.
14. My signature below authorizes the University of North Dakota and/or the Student Loan Service Center, NDUS to contact any school which I may have attended, to obtain information concerning my student status, my field of and year of study, my dates of attendance, graduation or withdrawal, my transfer to another school or my address.

XXXX _____

Signature of Student Borrower

_____ **Date**