

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

**NURSING STUDENT LOAN PROGRAM
MASTER PROMISSORY NOTE
(SINGLE OR 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 (Institution Name) _____, hereinafter called the Institution located at (City) _____ (State) _____, 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.

Schedule of Advances				
Number	Amount Advanced	Total To Date	Date	Signature of Borrower
1	\$	\$	FALL 2017	
2	\$	\$	SPRING 2018	
3	\$	\$		
4	\$	\$		
5	\$	\$		
6	\$	\$		
7	\$	\$		

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)

(Permanent Address)

(Social Security Number)

(Date of Birth ~ ##/##/####)

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

Borrower Initial: Yes: _____ No: _____

(School Entrance Date) _____ (School Exit Date) _____

Borrower Initial: Yes: _____ No: _____



Personal and Confidential Information

To be completed by the student: Date _____
 (PLEASE PRINT)

NAME _____ STUDENT NUMBER _____
 (Last) (First) (Middle Initial)

PERMANENT ADDRESS:

Street _____
 (Inc, Apt. No.)

City _____

State _____ Zip _____

Phone Number _____
 (area code)

Cell Phone Number _____ E-Mail Address _____
 (area code)

Birth Date _____ Social Security Number _____

Driver's License Number _____ State of Issue of D/L _____

Expected Graduation Date _____

Current Employer _____
 Name Address Phone No.

Spouse's Name: _____

Spouse's Employer: _____
 Name Address Phone No.

PERSONAL REFERENCES

1) Name			Phone No.			2) Name			Phone No.		
Address						Address					
City		State		Zip		City		State		Zip	
Employer						Employer					
Address						Address					
City		State		Zip		City		State		Zip	
3) Name			Phone No.			4) Name			Phone No.		
Address						Address					
City		State		Zip		City		State		Zip	
Employer						Employer					
Address						Address					
City		State		Zip		City		State		Zip	

OTHER INFORMATION:

Military, Branch/Base: _____ Plan for Next 12 months – Please Circle one.
 Seek Employment Continue Education

Signature of Borrower X _____ Date _____

NURSING STUDENT LOANS: YOUR RIGHTS AND OBLIGATIONS

GRACE PERIOD

The grace period of the NSL is nine (9) months, during which time interest does not accrue and payments are not required. The grace period begins immediately following completion or termination of full-time student status and cannot be postponed to follow any deferments for which you may be eligible.

If you have not graduated you do not lose the grace period unless you are out of school for the full 9 months. This means that if you reenter the same or another nursing school within the 9 month period you remain eligible for your entire grace period.

REPAYMENT PROVISIONS

Installment payments must be made during the repayment period immediately following the expiration of the grace period and excluding any allowable periods of deferment. Installment payments must be made in accordance with the terms of the schedule provided by the school and agreed to by the borrower at the time of the exit interview.

For loans made after November 13, 1998, the total amount of principal, plus accrued interest may be repaid in equal or graduated installments over a 10 year period at the discretion of the lending institution. The minimum monthly repayment amount is \$40.00.

All loans made after November 4, 1988 carry a set interest rate of 5% per annum. Interest begins to accrue at the end of the grace period.

PREPAYMENT

You may prepay all or any of the principal and accrued interest at any time without penalty.

PENALTY CHARGES

For loans made on or after October 1, 1985 the lending institution must assess a penalty charge if you fail to make an installment payment when due or file timely evidence of deferment or cancellation and your loan becomes more than

60 day past due. The charge may not exceed six percent of the installment payment.

CHANGE OF ADDRESS

You are responsible for keeping your lending institution and their billing agent informed of any changes in your address.

DEFERMENT PROVISIONS

Repayment of both principal and interest on your loan may be deferred by submitting properly completed "REQUEST FOR DEFERMENT" forms along with additional proof of eligibility as required by your lending institution and Federal Regulations. Deferments are not automatic.

Requests must be in writing and you must file a deferment form annually for each additional year of deferment. The school has the right to deny a request for deferment if you do not comply with the information requirements as prescribed by regulations. In addition to being responsible for requesting deferments and submitting the necessary documentation, you also must contact the institution when you have completed or terminated the deferrable activity.

Eligible Activities:

<u>Uniformed Service</u>	3 years maximum
Active duty as a member of a uniformed service (Army, Navy, Marine Corps, Air Force, Coast Guard, National Oceanic and Atmospheric Administration Corps, US Public Health Service Commissioned Corps)	
<u>Peace Corps</u>	3 years maximum
Volunteering under the Peace Corps Act	
<u>At a Collegiate School of Nursing</u>	10 years maximum
Includes ONLY:	
<ul style="list-style-type: none"> • At least half-time course of study at a collegiate school of nursing leading to a baccalaureate degree in nursing or an equivalent degree or to a graduate degree in nursing. • Pursuing advanced professional training in nursing. • Training to be a nurse anesthetist. 	

CANCELLATION

Principal and interest installments may be cancelled in the event of death or permanent and total disability. To claim the death benefit, the executor of your estate must submit a death certificate or evidence of death to the lending institution. Permanent and total disability is defined as being unable to engage in gainful employment of any kind due to a medically determinable impairment which is expected to continue for a long and indefinite period of time or to result in death. The review and final determination will be made by the Secretary of the Department of Health and Human Services based on the recommendation of the school, supported by required medical certification relating to the disability.

The loans made after November 18, 1974 may be repaid by the Secretary if a student fails to complete the course of study in nursing and (1) is in exceptionally needy circumstances, and (2) cannot be expected to resume study to become a nurse within two years following termination of nursing studies.

FORBEARANCE AND RENEGOTIATION

Forbearance and renegotiation are two separate repayment options to assist you when you are unable to make the required payments per your existing repayment schedule. Both methods are based on extraordinary circumstances and are granted at the discretion of the institution. Extraordinary circumstances include unemployment, poor health or other personal problems that have a short-term impact on the borrower's ability to make payments on NSL as scheduled.

During periods of forbearance, interest continues to accrue on the unpaid principal balance of the loan and a minimum payment must be made on all accrued interest. For more information on Forbearance and Renegotiation contact your lending institution.

LOAN CONSOLIDATION

You are permitted to combine your Federal student loans from different programs into a single new loan under the Federal Loan Consolidation Program. This program permits the loans to be repaid over a longer period of time. In addition to repaying in equal installments, you can obtain graduated and income-sensitive repayment for loans consolidated under this Federal program.

DEFAULT

If you fail to make payments when due or fail to comply with other terms of your promissory note, the loans will be considered in default and the following action may be taken:

- Acceleration – the institution may make the entire outstanding principal balance, including interest, due and payable.
- If in default, the institution may:
 - a) refer the account to a collection agency
 - b) initiate legal proceedings
 - c) withhold institutional services (transcripts, etc.)
 - d) refer the loan to Health and Human Services for collection services
 - e) obtain your address from IRS.
- Credit Bureau – The institution may report your loan to at least one national credit bureau at the time of disbursement. However, if your loan becomes more than 120 days due, the institution must report your loan status to a national bureau.
- If you are on a quarterly repayment cycle and fall 60 days or more past due, regulations require that your loan account be converted to a monthly billing cycle for the remainder of the loan repayment period.



HAWAII PACIFIC
UNIVERSITY
Business Office

FEDERAL NURSING LOAN
Truth-in-Lending Statement

Name of Borrower _____

Social Security Number _____

Permanent Home Address _____

Date _____ Semester Fall 2017

<p>Annual Percentage Rate:</p> <p>The cost of your credit as a yearly rate.</p> <p>Prior to Repayment: During Repayment:</p> <p>0% 5%</p>	<p>Amount Financed:</p> <p>The amount of credit provided to you.</p> <p>\$ _____</p>	<p>Late Charge: If a payment is late, you may be charged.</p> <p>Prepayment: If you pay off early, you will not have to pay a loan penalty.</p> <p>See the promissory note for any additional information about non-payment default and any required repayment in full before the scheduled date.</p>
--	---	---

Itemization of the amount financed:

\$ 0 Amount given to you directly.

\$ _____ Amount paid to the institution on your behalf.

\$ _____ Amount financed

You must begin to pay this loan back to Hawaii Pacific University nine (9) months after you are no longer enrolled for at least 6 credits. When you leave school, drop below 6 credits, or graduate, you must inform the Business Office to arrange for an exit interview. This is required by Federal regulation.

I have received a copy of this statement:



FEDERAL NURSING LOAN
Truth-in-Lending Statement

Name of Borrower _____

Social Security Number _____

Permanent Home Address _____

Date _____ Semester Spring 2018

<p>Annual Percentage Rate:</p> <p>The cost of your credit as a yearly rate.</p> <p>Prior to Repayment: During Repayment:</p> <p>0% 5%</p>	<p>Amount Financed:</p> <p>The amount of credit provided to you.</p> <p>\$ _____</p>	<p>Late Charge: If a payment is late, you may be charged.</p> <p>Prepayment: If you pay off early, you will not have to pay a loan penalty.</p> <p>See the promissory note for any additional information about non-payment default and any required repayment in full before the scheduled date.</p>
--	---	---

Itemization of the amount financed:

\$ 0 Amount given to you directly.

\$ _____ Amount paid to the institution on your behalf.

\$ _____ Amount financed

You must begin to pay this loan back to Hawaii Pacific University nine (9) months after you are no longer enrolled for at least 6 credits. When you leave school, drop below 6 credits, or graduate, you must inform the Business Office to arrange for an exit interview. This is required by Federal regulation.

I have received a copy of this statement:



**HAWAII PACIFIC
UNIVERSITY
Business Office**

**Health Professions and Nursing Loans
Statement of Rights and Responsibilities**

A Health Professions or Nursing Student Loan is a serious legal obligation. Therefore, it is extremely important that you understand your rights and responsibilities and you agree to honor them.

1. I understand that I must without exception, report any of the following changes to HPU if:
 - a. I withdraw from school.
 - b. My address or my parent's address changes.
 - c. I drop below full-time status (Half-time for nursing students).
 - d. My name should change (for example because of marriage).
 - e. I transfer to another school.
 - f. I join the military service or Peace Corps.
2. I understand that when I graduate or withdraw from HPU, I must arrange for an exit interview by calling the BUSINESS OFFICE.
3. I understand that my first \$40.00 payment will be due NINE months from the time I cease to be a full-time (half-time nursing) student.
4. I understand that my minimum MONTHLY PAYMENT WILL BE AT LEAST \$40.00. It may be more if the amount borrowed is sufficient to require larger payments.
5. I understand that the ANNUAL PERCENTAGE RATE will be charged on the unpaid balance and that it will begin to accrue 12 months (9 months for nursing), after I cease to be enrolled as a full time (half-time nursing).
6. I understand that cancellation may be granted for death or permanent and total disability. I also understand the school must be informed of such a status.
7. I understand that if I enter the military service or Peace Corps, or pursue advanced professional training, I may request that the payments on my loan be deferred.
8. I understand that if I fail to repay my loan as agreed, the total loan may become due and payable immediately and legal action could be taken against me.
9. I understand that I must promptly answer any communications regarding my loan.
10. I understand that if I cannot make a payment on time, I must contact the school.
11. I authorize HPU to contact any school which I may attend to obtain information concerning my student status, my year of study, my dates of attendance, graduation, or withdrawal, my transfer to another school, or my current address.
12. I authorize HPU to report this loan to credit bureaus.

DO NOT SIGN WITHOUT READING!

Signature

Printed

Date