

**THE AMERICAN MEDICAL ASSOCIATION FOUNDATION LOAN  
(AMA LOAN)**

**INFORMATION SHEET**

*The AMA Loan has been made possible by donations from practicing physicians to the AMA Foundation in an effort to address the dwindling sources of medical student funding. Please remember their generous support when you, in turn, are able to help upcoming members of the medical profession.*

**Terms of the Loan:**

Interest Rate	5%
Grace Period	6 months
Minimum Monthly Payment	\$30/month or \$90/quarter
Length of Repayment	Maximum of 10 years
Deferment for Residency	2 years

Please see your promissory note for further details on the terms of your loan.

UNIVERSITY OF CALIFORNIA, SAN DIEGO

PROMISSORY NOTE  
AMA-ERF LOAN PROGRAM

Loan # \_\_\_\_\_  
Social Security # \_\_\_\_\_

I, \_\_\_\_\_, promise to pay to The Regents of the University of California, hereinafter called the Lending Institution, located in San Diego County, California, the sum of the amounts that are advanced to me and endorsed in the Schedule of Advancements attached hereto and made a part hereof and/or as evidenced by the sum of the amounts on the Fee Payment Authorizations made to and endorsed by me during the course of the Program, together with all attorney's fees and other costs and charges for the collection of any amount not paid when due.

I further understand and agree that:

I. Repayment

- (1) Interest shall accrue from the beginning of the repayment period and shall be at the ANNUAL PERCENTAGE RATE OF FIVE PERCENT [5%] on the unpaid balance except that no interest shall accrue during any period in paragraph II.(3) (A) (B) and (C)
- (2) (a) I promise to repay the principal, and the interest which accrues on it, over a period beginning 6 months after the date I cease to be at least a half-time student at an institution of higher education, and ending, unless paragraph II.(3) applies, 10 years later.
  - (b) I may, however, request that the repayment period start on an earlier date.
  - (c) I promise to repay the principal and interest over the course of the repayment period in EQUAL monthly, bimonthly, or quarterly installments, as determined by the Lending Institution.
- (3) If the repayment schedule established under paragraph I.(2) provides for repayment of principal and interest at a rate of less than \$90 per quarter, I shall repay the total amount of this loan including interest thereon at the rate of \$90 per quarter.
- (4) Notwithstanding the rate of interest stipulated in this promissory note, the rate of interest chargeable after a breach will be \_\_\_\_\_ percent per annum.

II. This note is also subject to the following conditions:

- (1) **Prepayment:** I may at my option and without any penalty prepay all or any part of the principal, plus the accrued interest thereon, at any time. Amounts I repay in the academic year in which the loan was made will be used to reduce the amount of loan and will not be considered a prepayment. If I repay more than the amount due for any repayment period, the excess will be used to prepay the principal unless I designate it as an advance principal payment of the next regular installment.
- (2) **Default:** If I fail to meet a scheduled repayment of any installment, the entire unpaid indebtedness including interest due and accrued thereon, plus any applicable penalty charges, will, at the option of the Lending Institution, become immediately due and payable. The Lending Institution shall not be under any obligation to accept or process any requests for deferment filed after the debt has been declared due and payable under this provision.
- (3) **Deferment:** Interest will not accrue, and installments need not be paid:
  - (A) While I am enrolled and in attendance as at least a half-time student at an institution of higher education or at a comparable institution outside the United States approved for this purpose by the Lending Institution, or
  - (B) for a period not in excess of 3 years during which I am:
    - (i) on full-time active duty as a member of the armed forces of the United States (Army, Navy, Air Force, Marine Corps, or Coast Guard),
    - (ii) in service as a Volunteer under the Peace Corps Act, or
    - (iii) a VISTA volunteer under Title I--Part A of the Domestic Volunteer Service Act,
    - (iv) a full time volunteer in a tax-exempt organization performing service comparable to the service performed by Peace Corps or ACTION agency volunteers.
    - (v) temporarily totally disabled as established by an affidavit of a qualified physician,
    - (vi) unable to secure employment because I am providing care required by my spouse who is so disabled, or
    - (vii) an officer on full-time active duty in the Commissioned Corps of the U.S. Public Health Service.
  - (C) for a period not in excess of two years during which time I am serving in an internship which is required in order that I may receive professional recognition required to begin my professional practice or service.
  - (D) the Lending Institution may, upon my application, defer or reduce any scheduled repayments if, in its opinion, extraordinary circumstances, such as prolonged illness or unemployment, prevent me from making such repayments. However, interest will continue to accrue.
  - (E) I understand that I must file the necessary forms for deferment by the dates established by the Lending Institution in order to gain these benefits.
- (4) **Death and Disability Cancellation:** If I should die or become permanently and totally disabled, the entire amount of this loan plus the interest thereon shall be canceled.
- (5) **Personal Information Change:** I am responsible for informing the Lending Institution of any change or changes in my name, address or social security number.
- (6) **Penalty Charge:** If I fail to make timely payment of all or any part of a scheduled installment, or if I am eligible for deferment under paragraphs II.(3) or (4), but fail to submit the appropriate request on time, I promise to pay the charge assessed me by the Lending Institution. No charge may exceed (1) where the loan is repayable in monthly installments, \$1 for the first month or part of a month by which the installment or evidence is late, and \$2 for each month or part of a month thereafter; or (2) in the case of a loan which is repayable in bimonthly or quarterly installments, \$3 and \$6, respectively, for each installment interval or part thereof by which the installment or evidence is late. If the Lending Institution elects to add the assessed charge to the outstanding principal of the loan, it must so inform me before the due date of the next installment.
- (7) **Credit Bureaus:** I understand that the Lending Institution may disclose the amount of my indebtedness and my repayment history, and other relevant information including past-due amounts, to credit bureau organizations.
- (8) **Waiver:** Every maker of this note hereby waives all rights and benefits conferred by any and all statutes of limitations now or hereafter applicable to the indebtedness evidenced by this note.

I hereby certify (1) that I understand I am receiving a loan which must be repaid; (2) that my rights and obligations under this loan are contained in the above terms; (3) I have read this promissory note; and (4) I have received a copy of this note.

Signature of Maker: \_\_\_\_\_ Date \_\_\_\_\_

Permanent Address : \_\_\_\_\_ Phone no. ( ) \_\_\_\_\_

University Address: \_\_\_\_\_ Phone no. ( ) \_\_\_\_\_

SCHEDULE OF ADVANCES						
INITIALS	LINE	CHECK NO.	ACTUAL CASH ADVANCES	RECEIVED (SIGNATURE OF MAKER)	DATE	TOTAL ADVANCED TO DATE
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					

Notice to borrower

† Pursuant to the Federal Privacy Act of 1974, you are hereby notified that disclosure of your social security number is mandatory. It is used to verify your identity in the financial aid record-keeping systems which were established prior to January 1, 1975 under the authority of The Regents of the University of California, Article IX, Section 9 of the California Constitution. Disclosure of the social security number is required pursuant to Regulation 4, Section 404.1256, Code of Federal Regulations, under Section 218, Title II of the Social Security Act, as amended.