

Loans For Disadvantaged Students**Master Promissory Note** For loans made on or after November 13, 1998

Section A: Borrower Section	
1. Name (last, first, middle initial) and Permanent Address (street, city, state, zip code)	2. Social Security Number
	3. Date of Birth (mm/dd/yyyy)
	4. Area Code/Telephone Number
	5. Driver's License Number (List state abbreviation first)
Section B: School Section	
6. School Name & Address (street, city, state, zip code) University of California, San Diego 9500 Gilman Dr., Mail Code 0026 La Jolla, CA 92093-0026	7. Annual Interest Rate <p style="text-align: center;">5%</p>

I, hereinafter called the Borrower, promise to pay to the Regents of the University of California, hereinafter called the Institution located at La Jolla, CA, the sum of such amounts as may from time to time be advanced to me 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 Master Promissory Note.

The Borrower and Institution further understand and agree that:

1. Consolidation (Section 722 Public Service Act):

If the Institution makes more than one loan, with the same repayment terms, to the Borrower under the Loans for Disadvantaged Students 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 722 Public Health Service Act, 42 CFR 57.210):

a. Repayment shall be made in equal or graduated periodic installments within the repayment period, except that the Institution may require repayment to be made in an amount equal to not less than \$40 per month. The repayment period begins one year after the Borrower ceases to be a full-time student at a school eligible to participate in the Loans for Disadvantaged Students program. The repayment period shall not be less than ten years, nor more than 25 years, at the discretion of the Institution. Periods of authorized deferment are not included as part of the 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 722 Public Health Service Act, 42 CFR 57.208):

Interest shall accrue from the beginning of the repayment period.

4. Deferment (Section 722 42 CFR 57.210):

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; (c) pursues advanced professional training, including internships and residencies; (d) pursues a full-time course of study at a health professions school eligible for participation in the Loans for Disadvantaged Students program; (e) leaves the Institution, with the intent to return to the Institution as a full-time student, to engage in a full-time educational activity which is directly related to the health profession for which the Borrower is preparing, as determined by the Secretary of Health and Human Services (the Secretary),

Loans For Disadvantaged Students**Master Promissory Note** For loans made on or after November 13, 1998

for up to two years; and (f) participates in a fellowship training program or a full-time educational activity which is directly related to the health profession for which the Borrower prepared at the Institution, and is engaged in by the Borrower within 12 months after the completion of the Borrower's participation in advanced professional training described in #4.(c) above or prior to the completion of the Borrower's participation in such training, for up to two years.

5. Prepayment (Section 722 Public Health Service Act):

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 57.210):

The Borrower agrees to attend an exit interview prior to completing or terminating full-time student status at the Institution.

7. Default (Section 721, 42 CFR 57.208):

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 721 Public Health Service Act, 42 CFR 57.210):

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 57.208):

If the Borrower fails to make a scheduled repayment or fails to comply with any other term 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 57.210):

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 (Section 722 Public Health Service Act, 42 CFR 57.210):

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 for collection assistance, including offset of Federal salaries; and (e) obtain the Borrower's address from the Internal Revenue Service through the Secretary, if the Institution has no current address for the Borrower.

12. Death or Disability (42 CFR 57.211):

In the event of the Borrower's total and permanent disability or death, the unpaid indebtedness remaining on the Promissory Note shall be canceled. Subject to the regulations of the Secretary, the Institution may assess a charge on the Borrower's loan to cover the costs of insuring against death or disability cancellations.

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 at the Institution. The terms of this Promissory Note shall be construed according to the Federal statute and regulations governing the administration of the Loans for Disadvantaged Students program, copies of which shall be kept by the Institution.

Loans For Disadvantaged Students

Master Promissory Note For loans made on or after November 13, 1998

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.

In Witness Hereof, My Hand and Seal

_____ (Date) _____ (Signature of Borrower) _____ (Seal)

I accept use of this form as my Master Promissory Note for all loans received under the Loans for Disadvantaged Students (LDS) program.

_____ Yes _____ No

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

**HEALTH PROFESSIONS STUDENT LOAN (HPSL) &
LOANS FOR DISADVANTAGED STUDENTS (LDS)**

INFORMATION SHEET AND ENTRANCE INTERVIEW

To: HPSL & LDS Borrowers

**From: Carol Hartupee
Financial Aid Director
UCSD Health Sciences Financial Aid Office
9500 Gilman Drive, Dept. 0730
La Jolla, CA 92093-0730**

Attached please find an Information Sheet for the Health Professions Student Loan (HPSL) and Loans for Disadvantaged Students (LDS) Programs. You will be receiving one of these loans for the upcoming academic year.

Legislation requires us to provide you with an **Information Sheet** and an **Entrance Interview**.

Your reading of the attached Information Sheet will serve the purpose of an Entrance Interview.

We must document the fact that you have received this information. Therefore, please sign the statement below and return it to the Financial Aid Office. The LDS Master Promissory Note may be returned to the Financial Aid office as well.

Thank you.

.....
INFORMATION SHEET AND ENTRANCE INTERVIEW

**To: Carol Hartupee
Financial Aid Director
Health Sciences Financial Aid Office**

I have read the Health Professions Student Loan/Loans for Disadvantaged Students Information Sheet that was sent to me by your office. I understand the terms and conditions described therein.

From: _____
Printed Name

Class Level

Signature

Date

PLEASE NOTE: An Entrance Interview for all school loan programs, including Health Professions Student Loans and Loans for Disadvantaged Students, is also required by the Student Account Services (SAS) Office before any school loan checks will be disbursed. Entrance counseling is located at <http://hsfao.ucsd.edu> Click on "Links". Select UCSD Entrance Counseling, login using your PID and PAC and complete the Loan Entrance Counseling Seminar.

**HEALTH PROFESSIONS STUDENT LOANS (HPSL)/LOANS FOR DISADVANTAGED STUDENTS
(LDS)**

INFORMATION SHEET

- a. The yearly MAXIMUM AMOUNT a student may borrow is:
- Up to the total cost of education for the year in which you are receiving the HPSL/LDS award.
- b. The REPAYMENT PERIOD begins one year after the Borrower ceases to be a full-time student at an eligible health professions school, except for times of deferment. If you enter an internship/residency directly after graduating from health professions school, you will not have a 12-month grace period following the end of your internship/residency deferment period.
- c. The MAXIMUM REPAYMENT PERIOD is usually ten-years, except that the school may require payments equal to not less than \$40 per month. Periods of authorized deferment are not included as part of the ten-year repayment period. Also, see PREPAYMENT provision in item e. below.
- d. The INTEREST RATE is five percent (5%) per year.
- e. PREPAYMENT
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.
- f. DEFERMENT
Payments need not be made and interest will not accrue while the Borrower:
- 1) Pursues a full-time course of study at a health professions school eligible for participation in the HPSL/LDS Program.
 - 2) Serves as a volunteer under the Peace Corps Act, for up to three years.
 - 3) Pursues advanced professional training, including internships and residencies.
 - 4) Takes temporary leave from the health professions school to engage in full-time educational activity that is directly health profession related and approved by the Secretary of the Department of Health and Human Services, for up to two years.
 - 5) Participates in a fellowship training program or directly related and approved health professions related educational activity within twelve months after completion of the Borrower's advanced professional training, or prior to the completion of such training, for up to two years.
 - 6) Serves on active duty as a member of a uniformed service of the United States, for up to three years.
- g. DEFAULT
If Borrower fails to make an installment payment when it is due or fails to comply with any other term of the Promissory Note, the loan will be considered in default.
- h. LATE CHARGE
The school 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% of the amount of such installment, on loans more than 60 days past due.
- i. ACCELERATION
If Borrower fails to make a scheduled repayment or fails to comply with any other term of the 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 school, become due and payable.

HPSL/LDS INFORMATION SHEET

j. CREDIT BUREAUS

The school may disclose the Borrower's loan, and any other relevant information, to credit bureaus. If the Borrower becomes 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.

k. REDUCED ELIGIBILITY

Because the Loans for Disadvantaged Students (LDS) awarded to the Borrower satisfies a portion of the Borrower's cost of education, the Borrower's eligibility for other forms of student aid is reduced by the dollar amount received as LDS.

l. COLLECTION AGENTS, LITIGATION, AND WITHHOLDING OF SERVICES

If Borrower fails to make a scheduled repayment or fails to comply with any other terms of the Promissory Note, the school may:

- 1) Refer the Borrower's loan to a collection agent for further collection effort.
- 2) Initiate legal proceedings against the Borrower.
- 3) Withhold school services, such as transcripts and letter of recommendation, from the Borrower.
- 4) Refer the Borrower's loan to the Secretary of the Department of Health and Human Services for collection assistance, including offset of Federal salaries.
- 5) Obtain the Borrower's address from the Internal Revenue Service, through the Secretary of the Department of Health and Human Services, if the school has no current address for the Borrower.

m. COLLECTION COSTS

The Borrower must pay 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 the Promissory Note.

n. DEATH OR DISABILITY

In the event of the Borrower's total and permanent disability or death, the unpaid indebtedness remaining on the Promissory Note shall be canceled. Subject to the regulations of the Secretary, the Institution may assess a charge on the Borrower's loan to cover the costs of insuring against death or disability cancellations.

o. EXIT INTERVIEW

The Borrower agrees to attend an exit interview, or if attendance should not be possible, to satisfy the exit interview requirements by signing and submitting a written form, prior to completing or terminating full-time student status at the school.

p. CHANGE IN NAME OR ADDRESS

The Borrower will promptly inform the school of any change in name or address after he or she ceases to be a full-time student at UCSD.

08/2014