

PHARMACY LOAN PROGRAM MASTER PROMISSORY NOTE

UNIVERSITY OF CALIFORNIA, SAN DIEGO – HEALTH SCIENCES

Social Security # _____

The terms and conditions of this Pharmacy University Loan Program Master Promissory Note shall be hereinafter called the Note.

I, _____, promise to pay to The Regents of the University of California, hereinafter called the Lending Institution, located in _____ County, California, all sums disbursed under this Note, together with interest and other fees that may become due as provided in this Note. I understand that multiple loans may be made to me under this Note. I understand that I shall be responsible to repay any disbursement issued at any time under this Note and reflected on my University student account. I understand that each loan is separately enforceable based on a true and exact copy of this Note. If I do not make any repayment on a loan under this Note when it is due, I promise to pay all collection costs and fees, including all attorney's fees, court costs, and other costs and charges associated with the collection of any amount not paid when due.

I further understand and agree that:

I. Repayment

- (1) I promise to repay the principal, and the interest which accrues on it, over a period beginning nine (9) months after the date I cease to be at least a half-time student at an institution of higher education, and ending, unless paragraph I(3) or II(3)(A) applies, ten (10) years later.
- (2) Except as otherwise provided in paragraph I(4), 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).
- (3) If the repayment schedule established by the Lending Institution under paragraph I(1) 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 the interest thereon at the minimum repayment rate of \$90 per quarter, or a monthly equivalent. If the Lending Institution requires that I make minimum repayments, my repayment period may be less than ten (10) years.
- (4) Notwithstanding the rate of interest stipulated in paragraph I(2) of this Note, the Lending Institution, at its discretion, may increase the rate of interest to ten (10) percent per annum in the event I default on the repayment of this loan. For purposes of this provision, "Default" is defined in paragraph II(2).

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

- (1) **Prepayment:** I may at my option and without 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 the 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 payment of the next regular installment.
- (2) **Default:** (A) If I fail to make a scheduled repayment when due; or if I fail to submit to the Lending Institution (or its student loan billing agent), on or before the due date of a scheduled repayment, documentation that I qualify for a deferment; or if I fail to comply with any of the terms or conditions of this Note, the entire unpaid indebtedness including interest due and accrued thereon, plus any applicable penalty charges, may, 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 request for deferment filed after the loan has been declared due and payable under this provision.
(B) If I default on the repayment of my loan, the Lending Institution may pursue all legal means of recovering amounts not paid when due, including, but not limited to, withholding University services, such as withholding official transcripts, and having the right to obtain all or any portion of any monies due me from the State of California as payment toward the amount owed the Lending Institution.
- (3) **Deferment:** (A) Interest shall not accrue, and scheduled repayments need not be made:
 - (i) 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
 - (ii) for a period not in excess of three (3) years during which I am:
 - (a) 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);

- (b) in service as a Volunteer under the Peace Corps Act; or
- (c) a volunteer under the National Service Act of 1990, serviced through the agency known as the Corporation for National Service (formerly the VISTA program under the Domestic Volunteer Service Act of 1973);
- (d) a full-time volunteer in a tax-exempt organization performing service comparable to the service performed by Peace Corps or ACTION agency volunteers;
- (e) temporarily totally disabled as established by an affidavit of a qualified physician;
- (f) unable to secure employment because I am providing care required by my spouse who is so disabled; or
- (g) an officer on full-time active duty in the Commissioned Corps of the U.S. Public Health Service; or
- (iii) for the period during which I am serving in an internship or residency which is required in order that I may receive professional recognition required to begin my professional practice or service.

(B) 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 repayment. However, interest shall continue to accrue.

(C) 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 cancelled upon the Lending Institution's receipt of the appropriately completed and certified supporting documentation.
- (5) **Personal Information Change:** I am responsible for informing the Lending Institution of any change or changes in my name, address, telephone number, or social security number.
- (6) **Late Charge:** (A) If I fail to make the full amount of a scheduled repayment when due, or if I am eligible for deferment under paragraphs II(3)(A)(i), (ii), or (iii) or II(3)(B), but fail to submit the appropriate request on time, I promise to pay the late charge assessed against me by the Lending Institution.
(B) No late charge may exceed twenty (20) percent of my monthly or quarterly repayment amount.
(C) I understand that a late charge may be assessed for each scheduled repayment not paid when due or for each scheduled repayment for which I fail to submit the appropriately completed and certified deferment request on time.
(D) 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 scheduled repayment.
- (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.
- (9) **Governing Law:** This Note shall be governed by the laws of the State of California.

I will not sign this Note before reading the entire Note, even if I am told that I am not required to read it. My signature certifies (1) that I have read this Note; (2) I understand I am receiving a loan which must be repaid; (3) that my rights and obligations under this loan are contained in the above terms; (4) that I agree to the terms and conditions of this Note; and (5) I have received a copy of this Note.

I UNDERSTAND THAT I MAY RECEIVE ONE OR MORE LOANS UNDER THIS MASTER PROMISSORY NOTE AND THAT I MUST REPAY SUCH LOANS.

Signature of Maker: _____ Date _____

Permanent Address: _____ Phone no. () _____

University Address: _____ Phone no. () _____

(Street or Box Number, City, State and Zip Code)

(Street or Box Number, City, State and Zip Code)