

PROMISSORY NOTE AND SECURITY AGREEMENT

SECTION A. LENDER'S NAME AND ADDRESS: THE LAUER AND HAZEL HIERONYMUS STUDENT LOAN TRUST FUND ("TRUST")
605 SOUTHEAST SECOND STREET, PO BOX 357
BUFFALO, OKLAHOMA 73834

SECTION B. APPLICANT ("RECIPIENT")

NAME _____ (MAIDEN) _____ BIRTHDATE _____
ADDRESS _____ PHONE (_____) - _____ - _____
PERM MAILING ADDRESS _____ PHONE(_____) - _____ - _____

SECTION C. LOAN DATA

NOTE NUMBER _____ SS# _____ - _____ - _____ LOAN DATE _____
PRINCIPAL AMOUNT \$ _____ ANNUAL INTEREST - 5% (FIVE PERCENT) Begins 90 days after completion of last semester attended. LOAN PURPOSE _____

SECTION D. CONDITIONS OF PROMISSORY NOTE:

PARAGRAPH 1. PROMISE TO PAY: The Loan Applicant ("Recipient") whose signature appears herein agrees to pay to the Lender the Principal Amount as shown above in Section C. Recipient also agrees to pay Interest on the outstanding balance at the Annual Interest Rate of Five Percent (5%) from the date the Interest Charge begins until Lender is paid in full.

PARAGRAPH 2. PAYMENT DEFERMENT: Loan repayment and Interest payment will be deferred (up to five years) while Recipient is enrolled as a full-time student in an approved institution. Interest will accrue at an Annual Interest Rate of Five Percent (5%).

PARAGRAPH 3. MAXIMUM TERM OF DEFERMENT: Loan repayment and Interest to the Lender will begin at most sixty (60) months after Recipient's initial "DATE OF LOAN" date.

PARAGRAPH 4. FULL TIME STUDENT STATUS: Recipient agrees to notify the Executive Director of the Trust in writing of a change in status from a full-time student within 14 calendar days of the date of that change.

PARAGRAPH 5. GRACE PERIOD: Recipient acknowledges that Loan repayment and Interest payment will begin at most ninety (90) days after Recipient ceases to be a full-time student.

PARAGRAPH 6. REPAYMENT TIME SCHEDULE: Recipient acknowledges that when the Loan repayment and Interest payment begin, a monthly installment plan will be given to the loan Recipient according to the following:

A) If the sum total of all Recipient loans from the Trust is \$3,500.00 or less, then Recipient has at the most five (5) years to repay Principal and pay the accumulated Interest.

B) If the sum total of all Recipient loans from the Trust is more than \$3,500.00 but less than \$7,000.00 then Recipient has at the most seven (7) years to repay Principal and pay the accumulated Interest.

C) If the sum total of all recipient loans from the Trust is greater than \$7,000.00 but less than or equal to \$12,000.00 then Recipient has at the most ten(10) years to repay Principal and pay the accumulated Interest.

D) The Loan Recipient agrees to pay to the Lender the entire indebtedness, including all Interest, in accordance with the payment schedule set forth in Section D, Paragraph 6, subsections A, B, and C.

PARAGRAPH 7. EARLY OR LATE PAYMENTS: Recipient may make extra or larger payments than agreed. If Recipient makes installment payments before or after the date they are due, Lender will use the exact date Lender receives payment for figuring the interest which Recipient will actually pay on Loans. This means that the interest will be less if Recipient pays an installment early. If Recipient pays late, the Interest will be greater. On late payments, Lender will charge Interest on the unpaid Principal Amount on a daily basis at the Annual Interest Rate of Five Percent (5%).

PARAGRAPH 8. RETURN CHECK CHARGES: Lender will charge Recipient a fee of \$20.00 plus bank fees for each check, negotiable order of withdrawal or share draft that Recipient tenders as payment on Recipient Loans which is later dishonored or returned unpaid. This fee is in addition to all other loan charges, fees and additional charges that Lender may charge and collect from Recipient under this Agreement and applicable law and is not subject to refund or rebate.

PARAGRAPH 9. RIGHT TO REPAY: Recipient may repay the outstanding amount of Loan(s) at any time in full or in part. Lender will figure the Interest up to the day of payment. On any payments including partial pre-payments, Lender will apply payment first to earned Interest and then to the Principal Amount. If Recipient makes a partial pre-payment Recipient will continue to pay the regular installments until the whole loan is paid in full.

PARAGRAPH 10. DEFAULT: If the Recipient is in default, the Recipient agrees that without giving Recipient advance notice, the Lender can require Recipient to pay the whole unpaid balance of Loans, including any earned, but unpaid Interest, at once if the Recipient fails to pay any installment when it is due. The Lender can also do this if Recipient breaks any other promises or any event of default occurs under this Agreement, or any other Agreement Recipient may have with Lender, or anything else happens Lender thinks endangers Recipient's ability to pay.

PARAGRAPH 11. COLLECTION COSTS: If Recipient is in default under this Note and Security Agreement, Recipient agrees to pay all reasonable costs incurred by Lender for collection of all sums due, including reasonable attorney fees if suit is filed.

PARAGRAPH 12. DELAY IN ENFORCEMENT: Lender can delay enforcing any rights under this Agreement without losing them. Lender can excuse one borrower from certain responsibilities any number of times without losing rights against any others. Because Lender excuses one default by Recipient does not mean later occurrences of default will be excused. Lender can enforce this Agreement against Recipient's heirs and legal representatives.

PARAGRAPH 13. CO-MAKERS: IF THIS NOTE IS SECURED BY A CO-MAKER'S SIGNATURE, Co-Maker agrees to be equally responsible with Recipient and Lender may sue either Recipient or Co-Maker. Lender does not have to notify Co-Maker that this Note has not been paid, Lender can extend the terms of payment, and Lender can release any security or party liable on this Note without notifying Co-Maker of releasing Co-Maker from responsibility on this Note.

