

**WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION (COMMISSION)
MEDICAL STUDENT LOAN PROGRAM**

MASTER PROMISSORY NOTE

NAME:

S.S. NUMBER:

STUDENT ID #:

I, _____, hereinafter called the borrower, promise to pay to the order of **MARSHALL UNIVERSITY** the sum of such amounts that have been advanced to me and endorsed hereon together with all attorneys' fees and other costs and charges for the collection of any amount not paid when due according to the terms of this note.

INTEREST: The rate of interest charged shall be the prevailing rate for graduate subsidized Federal Stafford Loans in effect at the beginning of the repayment period and such rate shall be in force for the duration of the repayment period. Interest shall not accrue during the grace period or authorized periods of deferment as described within this promissory note.

REPAYMENT: The borrower shall be allowed a maximum of ten (10) years to repay the loan (principal and interest). Periods of authorized deferment (approved additional medical training, including internships, residencies, and fellowships, or required military service, not to exceed five years) are not included as part of the ten-year repayment period. However, payments must be at least \$50 a month and will be more if necessary to repay the loan within the required time period.

The first payment shall not be due and payable until one (1) year following the date that the borrower ceases to be a full-time student at a school of medicine eligible to participate in the Medical Student Loan Program. Payments are not due for periods of authorized deferment.

PREPAYMENT: The borrower may, without penalty, repay all or any part of the principal and accrued interest at any time.

EXIT INTERVIEW: The borrower agrees to an exit interview at the time they graduate or otherwise terminate enrollment. Borrowers are obligated during the period that the loan is active to maintain a current address record with the institution.

DEATH or PERMANENT and TOTAL DISABILITY: In the event of the borrower's death or permanent and total disability, the unpaid balance remaining on the note (principal and interest) shall be cancelled.

FORBEARANCE: The borrower may request from the institutional financial aid officer or designated representative a forbearance resulting from a documented disability, unemployment or other economic hardship. The approval will allow for a temporary cessation of payments, an extension of time for making payments or a temporary acceptance of smaller payments than previously scheduled for a period not to exceed twelve (12) months per hardship. Interest shall continue to accrue on the loan during the forbearance period with payment the responsibility of the borrower. Should the borrower fail to pay the accrued interest, it will be capitalized at the end of the forbearance period. Loan payments shall resume within sixty (60) days of the forbearance end date. The exact amount of monthly payments shall be calculated in accordance with the original loan agreement.

LOAN FORGIVENESS: The borrower may receive cancellation of the outstanding principal and accumulated interest on the loan in return for the actual performance of full-time service in West Virginia as a physician (M.D. or D.O.) in an approved designated medically underserved area or in an

approved designated medical specialty in which there is a shortage of physicians.

The Commission, after consultation with the Bureau of Public Health, shall determine qualifying medically underserved geographic areas and qualifying medical specialties in which there is a shortage of physicians. An approved listing of designated medically underserved areas and designated medical specialties shall be published and distributed to the financial aid offices of each participating state school of medicine. At the borrower's request, additional medically underserved geographic areas and qualifying medical specialties may be considered by the Commission after consultation with the Bureau for Public Health. Among the criteria are such factors as: locations where a physician currently in practice will retire creating a shortage or a population shift which will justify additional physicians.

To be eligible for loan forgiveness, the applicant must apply annually for and receive Commission approval for practice in a specific designated medically underserved area or designated medical specialty in which there is a shortage of physicians. Such approval shall include deferral of loan repayment during the period the practitioner is performing in service authorized for loan forgiveness. The practitioner must notify the lending institution of the date that such practice commences and terminates.

To be eligible for loan forgiveness, the applicant must have Commission approval to practice in a specific designated medically underserved area or designated medical specialty in which there is a shortage of physicians. In addition, the applicant must subsequently provide evidence to support the fact that full-time physician services were rendered. Such evidence shall be presented on a form provided by the Commission for that purpose. The Commission shall be the authority that grants loan forgiveness and shall notify the appropriate lending institution of all loan forgiveness which is granted.

The borrower shall be eligible for loan forgiveness only upon application and upon acceptance of duly certified evidence of full-time medical or osteopathic practice in a designated medically underserved area or in a designated medical specialty in which there is a shortage of physicians.

The borrower shall receive cancellation of the outstanding principal for sums not to exceed \$10,000 per year plus accumulated interest during each period of twelve (12) consecutive calendar months of full-time practice in West Virginia commencing on or after July 1, 2008. No forgiveness shall be granted for less than twelve (12) consecutive calendar months of full-time practice.

It shall be the responsibility of the borrower to secure a current list of designated medically underserved areas and designated medical specialties in which there is a shortage of physicians. A current list may be obtained from the Commission.

Borrower's Signature

Date

Current Street Address

Current City, State, Zip Code