



Application and Promissory Note

Georgia Student Access Loan

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens a loan account. What this means to you: Your name, address, date of birth, and other information collected on this form will be used to verify your identity. You may also be asked to provide your driver's license or other identifying documents.

STUDENT BORROWER INFORMATION (Please type or print in ink. Read instructions carefully.)

1. Social Security Number:		2. Legal Name: (Last): _____ (First): _____ (MI): _____		
3. Permanent Mailing Address:	Street: _____ City: _____	State: _____	Zip Code: _____	
4. Temporary Mailing Address :	Street: _____ City: _____	State: _____	Zip Code: _____	
5. Date of Birth (mm/dd/ccyy):		6. Driver's License: State: _____ Number: _____		7. E-mail Address:
8. U.S. Citizenship Status (Check one and list ID number if applicable): <input type="checkbox"/> U.S. citizen or national <input type="checkbox"/> Neither <input type="checkbox"/> Permanent Resident Alien Registration No. _____			9. Telephone Numbers: Home Phone: () Other Phone: ()	
			10. School Name:	
11. Loan Amount Requested (School Certified Amount): \$ _____			12. Anticipated Graduation Date:	

13. References: You must have two separate references with different U.S. Addresses:

Name: _____	Name: _____
Address: _____	Address: _____
City/State/Zip: _____	City/State/Zip: _____
Home Phone: _____	Home Phone: _____
Email: _____	Email: _____

SAMPLE

Promise to Pay: For value received, I promise to pay to the order of the Georgia Student Finance Authority ("the Authority") the sum equal to all loan amounts under the terms and conditions of this Application and Promissory Note ("the Note"), not to exceed the amount in item 11., above, together with interest and other charges/fees, which may become due as provided in this Application and Promissory Note. The principal, interest, and charges/fees are due and payable according to the terms and conditions of this Application and Promissory Note. If I fail to make payments on this Promissory Note when due, the Authority may demand that I repay this entire loan immediately. I understand that this is a Promissory Note. I will not sign this Application and Promissory Note before reading it in its entirety, even if otherwise advised. I am entitled to an exact copy of the Application and Promissory Note. My signature certifies that I have read, understand, and agree to the terms and conditions of this Application and Promissory Note which includes the Borrower Certification and Authorization section.

THIS IS NOT A GRANT. IT IS A LOAN WHICH I MUST REPAY.

14. I have read and agree with the Promissory Note and Borrower's Certification.

IN WITNESS WHEREOF, I have signed this Note under Signature of Borrower the date and year first written below.

Signature (Seal) of Borrower _____
Date

Sworn to and subscribed before me this _____ day of _____, 20 _____

Signature of Notary Public _____
Name of Notary Public (Typed, stamped or printed) My Commission Expires

Upon completion, submit this entire Promissory Note and the Private Education Loan Self Certification Form to The Georgia Student Finance Authority at: 2082 East Exchange Place, Tucker, Georgia 30084

KEEP A COPY FOR YOUR RECORDS

**Georgia Student Access Loan Program
Promissory Note (continued), Borrowers Rights and Responsibilities**

As used here, "I," "Me" and "My" refer to the borrower and "the Authority" refers to the Georgia Student Finance Authority and/or holder, agents, successor or assignee.

The loan amount(s) under this Application and Promissory Note will be determined by subtracting the Estimated Financial Aid from the school-certified Cost of Attendance. My financial aid office will certify eligibility for the loan. Approval of this loan is contingent on my meeting all eligibility criteria as prescribed by the Authority. I understand the Authority is not obligated, now or at any time, to make this or any other loan to me. The interest rate on my loan during periods of deferment is 1% per annum. The interest rate on my loan during periods of repayment is 8% per annum. I may qualify for a reduction of my repayment interest rate dependent upon whether or not I completed my degree type for which this loan was used within the defined length of my degree type. I understand that the Authority will transfer the proceeds of this loan to my school electronically based upon the school's recommended disbursement date(s). I must use this money for qualified higher education expenses for the school that certified the loan and for the time period for which the amount was certified. Qualified higher education expenses are limited to: tuition, room, board, fees, books, supplies, equipment, and transportation expenses.

Definitions

Capitalized Interest: Unpaid accrued interest that is added to the principal balance of the loan.

Enrolled Period: The period beginning on the day I receive my first disbursement and ending on the date I graduate or cease at least half-time enrollment at an Eligible Postsecondary Institution.

Program Start Date: The date upon which I began a program of study leading to the degree type for which this loan is intended and used for.

Repayment Period: The period beginning on the day after the student ceases to be enrolled on at least a half-time basis. The repayment period shall not exceed ten years (120 Months) not including periods of deferment.

Repayment interest Rate: The cost of borrowing the loan expressed as a percentage on an annual basis. This is the interest rate charged on my loan during periods of repayment.

Deferral

1. Deferral of Principal Payments When Enrolled in School. While I am enrolled at an Eligible Postsecondary Institution at least half-time, payments of principal (but not interest) due hereunder shall be deferred, and the Authority shall defer collection of such payments, upon my submitting to the Authority a written request for a deferral and the Authority's verification of my enrollment.

2. Deferral of Interest Payments for Financial Hardship When Enrolled in School. While I am enrolled at an Eligible Postsecondary Institution, I may also apply for discretionary deferral of the collection of installments of interest hereunder by demonstrating to the Authority that making payments of such installments would result in a severe economic hardship to me, in which case the Authority, in its sole discretion, may grant me a deferral from making such payments for such period as the Authority may designate.

3. Deferral of Principal and Interest Payments During the Repayment Period. I may apply for deferral of the collection of installments of principal or interest or both for such cause as unemployment, economic hardship or active duty military service by submitting to the Authority a written request for such deferral as provided by the Regulations, in which case the Authority may grant me a deferral from making such payments for such period, if any, as the Authority shall designate in accordance with the Regulations.

Forbearance Period

A postponement or reduction of payments during the Repayment Period is offered at the sole discretion of the Authority not to exceed 36 months. If I do not pay interest to the Authority prior to the start of the Repayment Period, such interest will be capitalized. If I am granted forbearance and if I choose not to pay accruing interest charges, the principal balance will increase each time the Authority capitalizes unpaid interest.

Grace Period

I will receive a six (6) month grace period before the first regular payment of my Student Access Loan must be made. The grace period begins the day after I cease to be enrolled at least half-time at an Eligible Postsecondary Institution. My grace period does not include any period up to 3 years during

which I am called or ordered to active duty for more than 30 days from a reserve component of the Armed Forces of the United States, including the period necessary for me to resume enrollment at the next available regular enrollment period.

Interest

1. Accrual: Interest on this loan accrues at the fixed simple interest rates defined below. Interest begins to accrue on the date of each disbursement and continues to accrue until the loan is paid in full. Interest accrues on the unpaid principal sum to the extent it is disbursed, and on the unpaid accrued interest added to the principal balance and at the end of any Forbearance Period. Interest is calculated on the basis of 365.25 days in a year. If I do not pay interest to the Authority prior to the start of the Repayment Period, such interest will be capitalized. If I am granted forbearance and if I choose not to pay accruing interest charges, the principal balance will increase each time the Authority capitalizes unpaid interest. As a result, I will pay more interest charges over the life of the loan. When I leave school and begin repaying the loan, my monthly payment amount may be higher.

2. Fixed Rate for Borrowers During Deferment Periods: The loan bears interest at a fixed rate of 1.00% per annum during qualified periods of deferment. While I am enrolled at an "eligible postsecondary institution," as defined in Official Code of Georgia §20-3-519(7) (called an "**Eligible Postsecondary Institution**"), I will pay accrued interest on the principal sum of this Note outstanding annually, in arrears, on the date each year specified by the Authority. The minimum annual payment amount due under this subpart shall be fifteen (\$15) dollars. Any amount paid by me in excess of the actual interest amount due shall be applied to reduce the principal outstanding. Interest that accrues during periods during which I am not so enrolled will be due and payable in accordance with the Repayment Schedule (as determined and defined below).

3. Fixed Rate for Borrowers During Repayment Periods: I understand that upon entering the repayment period, my interest rate will be fixed at 8% per annum. I further understand that I may apply for a reduction in my repayment interest rate from 8% to 0% per annum or from 8% to 1% per annum and that my eligibility for the interest rate reduction is dependent upon whether or not I completed my degree type for which this loan was used within the defined length of my degree type. I also understand that for each year that I am eligible to apply for a loan, the interest rate reduction will be based upon the degree type I am pursuing at the time I receive each loan.

The defined length of eligible degree types is as follows:

- a. Certificate Programs – One Year (12 months).
- b. Diploma Programs and/or Associate's Degree Programs – Two years (24 months).
- c. Baccalaureate Degree Programs – Four years (48 months).
- d. Baccalaureate/First Professional Degree Programs – Five years (60 months).

I understand that I must apply for the interest rate reduction within six months of graduating or completion of the eligible degree type for which this loan is being used. If I do not make the request for a reduced interest rate as outlined above, I acknowledge that my interest rate will irrevocably be fixed at 8% per annum.

I acknowledge that upon request, the Authority will make available to me, either by hard copy or electronically on its website, or by another method, an application form by which I may apply for an interest rate reduction. I understand that upon submission of an interest rate reduction application and any required documentation, the Authority will determine the interest rate reduction I may qualify for, if any. The Authority will determine if I completed my degree type within its defined length of the time, as defined above, by determining the length of time between my program start date and the date upon which I complete the degree type for which this loan is intended. My program start date is the date upon which I first entered a program of study leading to the degree type for which this loan is intended and used.

I understand that my repayment interest rate will remain at 8% if I do not qualify for one of the interest rate reductions as outlined in this Note.

I understand that I may not be eligible for an interest rate reduction and I certify that I have reviewed the above defined length of my degree type, my program start date and my current academic progress and have determined the likelihood of whether or not I can earn an interest rate reduction upon completion of my program of study.

Eligibility for Interest Rate Reductions

To qualify for the 1% repayment interest rate, I understand that I must complete my degree type for which this loan is intended and used as follows:

- If I am enrolled in a certificate program, I must complete it within one year (12 months) of my program start date.
- If I am enrolled in a diploma program and/or associate's degree program, I must complete it within two years (24 months) of my program start date.
- If I am enrolled in a baccalaureate degree program, I must complete it within four years (48 months) of my program start date.
- If I am enrolled in a baccalaureate/first professional degree program, I must complete it within five years (60 months) of my program start date.

To qualify for the 6% repayment interest rate, I understand that I must complete my degree type for which this loan is intended and used as follows:

- If I am enrolled in a certificate program, I must complete it within one and one half years (18 months) of my program start date.
- If I am enrolled in a diploma program or associate's degree program, I must complete it within three years (36 months) of my program start date.
- If I am enrolled in a baccalaureate degree program, I must complete it within five years (60 months) of my program start date.
- If I am enrolled in a baccalaureate/first professional degree program, I must complete it within six years (72 months) of my program start date.

4. Interest Rate After a Payment Default. If I fail to pay any installment of principal or interest or both as evidenced by any Loan Program Note when the payment is due or within a period of ninety (90) days thereafter, then from and after the end of the ninety (90) day period until the principal sum of this Note is paid in full, interest shall accrue on the outstanding principal sum of this Note from time to time at 8% per annum.

Repayment

I am obligated to repay the full amount of the loan and accrued interest. It is my responsibility to notify the Authority of my postsecondary enrollment status. I will repay the principal and interest of my loan together in periodic installments during the Repayment Period which begins the day immediately following the day I cease to be enrolled at least half time. Payments shall be at least fifteen (\$15) dollars per month and will be necessary to repay the loan within the required time period. The Authority will provide me with a repayment schedule and disclosure statement that identifies my payment amounts and due dates. My repayment schedule may include all of my Georgia Student Access Loan Program Loans. I agree that the Authority may grant me forbearance for purposes of aligning payment dates on my Georgia Student Access Loans or to eliminate a delinquency that persists even though I am making scheduled payments. I may repay all or any part of the unpaid balance on my loan at any time without penalty. All payments will be applied first to any outstanding unpaid fees, then to outstanding interest, then to principal.

Fees

- 1. Origination Fee:** An origination fee in the amount of \$50.00 dollars will be charged on each loan. The fee I am charged will be disclosed in a disclosure statement and will be deducted from the first disbursement of the loan. The fee is non refundable except if in the event the loan is cancelled in full by my Eligible Postsecondary Institution.
- 2. Late Payment Fee:** 6% of the amount of the past due payment.
- 3. Returned Items:** A \$30.00 fee will be charged to my account if a payment is returned due to insufficient funds or any other reason.

Credit Bureau Notification

Information concerning the amount, disbursement, and repayment of my loan will be reported to one or more national consumer reporting agencies.

Periodic Statements

I understand that before the due date of each annual interest payment, the Authority will send to me a statement of the amount of the interest payment next due, but I agree that my obligation to make each such payment is not dependent upon my receipt of the statement. I also understand that the Authority may send to me each quarter a statement of the amount of interest that has accrued.

Default

At the option of the Authority, this loan may be in default after any notice required by law and the Authority will have the right to give me notice that the whole outstanding principal balance, accrued interest,

and all other amounts payable to the Authority are due and payable at once if any of the following occurs:

- 1. I fail to make any payment to the Authority when due; or**
- 2. I fail to notify the Authority of a change in my name, address, or forbearance eligibility status within 10 days after a change occurs; or**
- 3. I make any false written statement in applying for this loan or at any time thereafter; or**
- 4. I fail to comply with any of the terms of this loan.**

If I default, this will be reported to national credit bureau organizations and may significantly and adversely affect my credit history. This may adversely affect my ability to obtain credit in the future.

Except as prohibited by federal or other state laws, individuals that fail to fulfill the terms and conditions of cash repayment may, without judicial action, be subject to garnishment of their pay, loss of a professional license, offset of lottery winnings, and offset of a state tax refund in accordance with rules and regulations promulgated by the Authority not inconsistent with the provisions of this part.

Collection Costs

If I default on the loan, I shall pay to the Authority or its agents reasonable collection fees, court costs and attorney fees not to exceed 15% of the unpaid debt after default.

Loan Discharge

I acknowledge that this loan is subject to the limitations on dischargeability in bankruptcy contained in the provisions of United States Bankruptcy Code, including, but not limited to, 11 U.S.C. §523.

Cancellation for Disability or Death.

In the event that I become totally and permanently disabled, and I furnish to the Authority a statement of a qualified physician satisfactory to the Authority, made under oath to that effect, or in the event that I die, and the Authority receives a death certificate certifying my death or other evidence of my death that is conclusive under Georgia law, then all outstanding obligations under this Note shall be deemed released, discharged and fully satisfied.

Loan Sale or Transfer

The Authority may sell, or otherwise transfer, one or all of my loans without my consent. Should ownership of a loan be transferred, I will be notified of the name, address and telephone number of the new holder if the address to which I make my payments changes. Sale or transfer of my loans to a subsequent holder does not affect my rights and responsibilities.

Service Cancellation

- 1. Service Cancellation for Teaching:** Notwithstanding the foregoing payment terms of this Note, if after graduating from an Eligible Postsecondary Institution, I am employed for not fewer than 90 days during any academic year by a public school in Georgia as a teacher in a science, technology, engineering or mathematics field (called a "STEM Field") at the elementary, middle or secondary level and my employment has been certified by an authorized official of the public school, and if I request service cancellation pursuant to the Loan Program and the Regulations on account of my employment (called "Service Cancellation") by notifying the Authority of my request for Service Cancellation before the end of the Repayment Period and within 12 months after the end of the academic year and by furnishing to the Authority such evidence of my employment as the Authority may require, then I will earn service credit on account of my employment during such academic year (called "Service Credit"), which will be applied to release, discharge and satisfy the payment obligations outstanding under my Loan Program Notes in an amount that shall be determined and applied as provided in paragraph (1) "Service Credits" below.
- 2. Service Cancellation for Public Service:** Notwithstanding the foregoing payment terms of this Note, if I am employed full time by the State of Georgia; an agency or instrumentality of this state; the executive, legislative, or judicial branch of government of this state; a political subdivision of this state; the University System of Georgia or any unit of the university system; an authority or public corporation of this state; a local board of education of this state; or an agency or instrumentality of a political subdivision of this state in Public Service during any state fiscal year after completion of my program of study, and my employment has been certified by an authorized official at my employer, and if I request service cancellation pursuant to the Loan Program and the Regulations on account of my employment (called

"Service Cancellation") by notifying the Authority of my request for Service Cancellation before the end of the **Repayment Period** and within 12 months after the end of the state fiscal year and by furnishing to the Authority such evidence of my employment as the Authority may require, then I will earn service credit on account of my employment during such state fiscal year (called "**Service Credit**"), which will be applied to release, discharge and satisfy the payment obligations outstanding under my Loan Program Notes in an amount that shall be determined and applied as provided in paragraph (2) "Service Credits" below.

Service Credits

1. If I satisfy the conditions for Service Cancellation on account of my employment during any academic year as provided in paragraph (1) "Service Cancellation for Teaching" above, then the following provisions apply: If I have been employed as a teacher in a STEM Field for not fewer than 90 but not more than 135 days during the academic year, the **Service Credit** I earn on account of my employment will be a "**One-Half Year Service Credit**." If I have been so employed for **more than 135 days** during an academic year, the **Service Credit** I earn on account of my employment will be a "**One Year Service Credit**." **Service Credit** (whether a One-Half Year Service Credit or a One Year Service Credit), when earned, shall be applied to release, discharge and satisfy my outstanding payment obligations in the amount of such **Service Credit** under this Note or, if the Authority has made more than one loan to me under the Loan Program, under the earliest Loan Program Note that has not been paid in full and to which no **Service Credit** has been previously applied (the Loan Program Note to which such **Service Credit** is applied called the "**Applicable Note**"). The amount of my **Service Credit** will be, if a One-half Year **Service Credit**, one-half of the original principal amount of the applicable note or, if a One Year **Service Credit**, the entire original principal amount of the **Applicable Note**. Any such release, discharge and satisfaction of this Note or any other Loan Program Note shall be applied as a prepayment on such Loan Program Note. In no event shall **Service Credit** be applied to an **Applicable Note** that exceeds in amount the balance of such Loan Program Note outstanding at the time I satisfy the conditions for Service Cancellation with respect to such Loan Program Note.

2. If I satisfy the conditions for Service Cancellation on account of my employment during any calendar year as provided in paragraph (2), "Service Cancellation for Public Service" above, then the following provisions apply: If I have been employed full-time as a Public Service employee for more than 275 days during a state fiscal year, the **Service Credit** I earn on account of my employment will be a "**One Year Service Credit**." No partial year **Service Credit** shall be awarded. **Service Credit**, when earned, shall be applied to release, discharge and satisfy my outstanding payment obligations in the amount of such **Service Credit** under this Note or, if the Authority has made more than one loan to me under the Loan Program, under the earliest Loan Program Note that has not been paid in full (the Loan Program Note to which such **Service Credit** is applied called the "**Applicable Note**"). The amount of such **Service Credit** will be seven hundred-fifty (\$750) dollars. Any such release, discharge and satisfaction of this Note or any other Loan Program Note shall be applied as a prepayment on such Loan Program Note. In no event shall **Service Credit** be applied to an **Applicable Note** that exceeds in amount the balance of such Loan Program Note outstanding at the time I satisfy the conditions for Service Cancellation with respect to such Loan Program Note.

Governing Law and Notices

The terms of this loan will be interpreted in accordance with the laws of the State of Georgia and federal laws. Any notice required to be given to me will be effective if mailed by first class mail to the latest address I have provided to the Authority or emailed. Emailed notices are sent to the latest email address provided by me to the Authority.

Failure by the Authority to enforce any term on this Note shall not be a waiver of any right to later enforce that term. No provision of this Note may be modified or waived except in writing. If any provision of this loan is determined to be unenforceable or in violation of law, the remaining provisions shall remain in force.

Borrower Certification and Authorization

I declare that the following are true and correct:

- 1. The information contained in the Borrower Section of the application is true, complete and correct to the best of my knowledge and belief and is made in good faith.
- 2. The proceeds of this loan will be used only for educational expenses

associated with attendance at the Eligible Postsecondary Institution listed on the application. I hereby authorize the school to pay to the lender any refund which may be due up to the amount of this loan.

- 3. I understand that I am required to notify the Authority in writing if any of the following events occur before the loan is repaid:
 - (a) I change my address;
 - (b) I change my name (e.g., maiden to married);
 - (c) I fail to enroll at least half-time for the loan period certified, or at the school that certified the application;
 - (d) I withdraw from school or drop to a less than half-time status;
 - (e) I graduate;
 - (f) I change my employer or my employer's address changes;
 - (g) I change my email address; or
 - (h) I have any other change in status that would affect my loan status.
- 4. I authorize the school, the Authority, or its agents to contact me regarding my loan(s) at the telephone number I have provided or which I provide in the future, even if that number is a cellular telephone number. I understand that automated telephone dialing equipment or an artificial pre-recorded voice message may be used.
- 5. I authorize the Authority to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information.
- 6. I authorize the release of information pertinent to this loan (a) to the school; and (b) to members of my immediate family unless I submit written directions otherwise; and (c) to other organizations to the extent permitted by law i.e., Credit Reporting Agencies, Collection Agencies, the Georgia Department of Revenue and others).

NOTES

SAMPLE