

**STATE HIGHER EDUCATION LOAN PROMISSORY NOTE
UNIVERSITY OF HAWAII**

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: Institution Section		
6. Institution Name & Address (street, city, state, zip code) University of Hawaii at Hilo 200 W. Kawili St. Hilo, HI 96720-4091	7. Borrower Status o Half-time or greater	8. Annual Interest Rate 5%
	9. Loan Amount:	10. Loan Period

I. GENERAL

Applicable Law. All sums advanced under this Promissory Note are drawn from a revolving fund created under Act 230, Sessions Laws of Hawaii, 1969, as amended, hereinafter called "the Act". The terms of this Promissory note shall be governed by and construed, interpreted, and enforced in accordance with the Act and the administrative rules adopted under the Act by the University of Hawaii Board of Regents, copies of which shall be kept by the Institution and incorporated herein by reference, and the laws of the State of Hawaii. In the event of inconsistency between the terms of this Promissory Note, and the Act and the administrative rules, as amended on the date this Promissory Note is executed, the terms of the Act and administrative rules shall control. The terms of the Act shall supercede the administrative rules.

II. INTEREST

Simple 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 deferment period described in Article VI.

III. REPAYMENT

- (1) Borrower promises to repay the principal and the accrued interest to the Institution over a repayment period beginning nine (9) months after the date Borrower ceases to be at least a half-time student at an institution of higher education, or a comparable institution outside the United States approved for this purpose by the Institution, and ending ten (10) years later, unless that period is shortened under paragraph III (2) herein, or extended under Article VI. I understand that the Institution may report the amount of my installment payments, along with the amount of this loan to at least one national credit bureau.
- (2) Borrower promises to repay the principal and accrued interest over the course of the repayment period in equal quarterly or monthly installments as determined by the Institution. Borrower understands that no payment during the repayment period shall be less than \$45.00 a quarter or \$15.00 a month.

IV. PREPAYMENT

Borrower may, at Borrower's option and without penalty, prepay all or any part of the principal, plus any accrued interest thereon, at any time.

V. DEFAULT

- (1) The Institution may, at its option, declare this Promissory Note to be in default and may demand immediate payment of the entire unpaid balance of this note, including principal, interest, late charges and collection fees upon the happening of any of the following events:
 - (A) Borrower does not make a scheduled payment when due under any repayment schedule approved by the Institution;
 - (B) Borrower does not submit to the Institution, on or before the date on which payment is due, documentation that Borrower qualifies for a deferment provided in Article VI of this Promissory Note;
 - (C) Borrower's nonperformance of any agreement with, or any condition imposed by the Institution with respect to the indebtedness; or
 - (D) Institution's discovery of Borrower's failure in any application to the Institution to disclose any fact deemed by Institution to be material or of the making therein or in any of the said agreements, or in any affidavit or other documents submitted in connection with said application or the indebtedness, or of any misrepresentation by, on behalf of, or for Borrower's benefit.
- (2) Borrower understands that if Borrower defaults on this Promissory Note, the Institution may disclose that Borrower has defaulted, along with other relevant information, to credit bureau organizations.
- (3) Borrower understands that if Borrower defaults on this Promissory Note, Borrower will then lose any right to defer repayments.
- (4) Institution is authorized to declare all or any part of the indebtedness (including principal, interest, late charges, collection fees, and attorney fees) immediately due and payable upon the happening of any of the above events.
- (5) Institution's failure to exercise any of its rights under this paragraph shall not constitute a waiver thereof.

VI. DEFERMENT

- (1) Procedures for Receiving Deferment. Borrower understands and acknowledges that in order to receive a deferment, Borrower must request the deferment in writing from the Institution, and must submit to the Institution any documentation required by the Institution to prove that Borrower may qualify for the deferment. Borrower further understands that if Borrower is eligible for deferment under Article VI, Borrower is responsible for submitting an appropriate request for a deferment prior to the due date for any repayment required in this Promissory Note. Borrower further understands that Borrower may lose any deferment benefits if Borrower fails to file a request on time.
- (2) Qualification. Borrower understands that upon making a properly documented written request to the Institution, Borrower may qualify to defer making scheduled installment payments for the following conditions and periods:
- (A) While Borrower is 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 Institution; or
 - (B) For a period of three (3) years during which Borrower is -
 - (i) 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);
 - (ii) In service as a volunteer under the Peace Corps; or
 - (iii) In service as a VISTA volunteer under the Domestic Volunteer Service Act of 1973.
- (3) Institution may, upon Borrower's timely written request, defer Borrower's scheduled repayments for good cause shown.
- (4) Upon receipt of a timely request to defer repayment, the Institution shall act to approve or deny the request. If a request is approved, the repayment period shall be deferred only until the condition for the deferment exists. The principal and accrued interest shall become due and payable in equal quarterly or monthly installments at the completion of any deferment period or as otherwise determined by the Institution.

VII. DEATH AND DISABILITY CANCELLATION

In the event of Borrower's death or if Borrower becomes totally and permanently disabled after Borrower receives or executes this Promissory Note, the Institution will cancel the total amount of this loan.

VIII. CHANGE OF STATUS

Borrower shall inform the Institution of any change or changes in name, address, telephone number and social security number.

IX. LATE CHARGES

The Institution may impose a late charge not to exceed twenty (20) percent of the scheduled payment if Borrower does not make a scheduled payment when it is due or if Borrower does not submit to the Institution, on or before the date on which payment is due, documentation that Borrower qualifies for a deferment described in Article VI.

X. PRIOR LOANS

Borrower certifies that all State Higher Education Loans obtained at other institutions are listed below:

Schedule of State Higher Education Loans at Other Institutions

Amount	Date	Name of Institution

XI. CAPACITY OF MINORS

Borrower acknowledges that Borrower has the full legal capacity to apply, receive, and repay the loan, and that regardless of age, Borrower shall have all the rights, powers, privileges and obligations of an adult with respect thereto.

XII. AUTHORIZATION

Borrower authorizes the Institution and its respective agents and contractors to contact me regarding my loan request or my loan(s), including repayment of my loan(s), at the current or any future number that I provide for my cellular phone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

XIII. PROMISE TO PAY

Borrower promises to pay the Institution the sum of amount(s) that have been advanced to the Borrower under the terms of this Promissory Note, plus interest and other fees which may become due as provided in this note. Borrower promises to pay all reasonable late charges and collection fees, including attorney fees and other charges, necessary for the collection of any amount not paid when due. Borrower's signature certifies that the Borrower agrees to all the terms and conditions of this Promissory Note.

Borrower's Signature

Date