



MASTER PROMISSORY NOTE
Brigham Young University–Hawaii
IWORK Loan Agreement

Borrower Information (please type or print legibly):

Last Name	First Name	MI	Student ID Number	Date of Birth (MM/DD/YY)
Permanent Street Address			Permanent Home Phone #	Current Phone# (or cell phone)
City	State	Zip Code	E-Mail Address	

Lender Information:

Brigham Young University–Hawaii, Financial Services
Box #1955, 55-220 Kulanui St, La'ie, HI 96762
financialservices@byuh.edu

Definitions (the following are applicable to this Promissory Note):

1. **Borrower:** The IWORK Loan Agreement participant who signs this Master Promissory Note
2. **Lender:** Brigham Young University–Hawaii or the duly authorized representatives thereof
3. **Note:** This Master Promissory Note
4. **Loan:** Amount borrowed and owed to the University
5. **Program:** BYU–Hawaii IWORK Loan Agreement
6. **Target Area (home country/region):** _____
7. **Fees:** Any late payment, returned check charges, attorneys and court costs, or collection expenses
8. **Resident/Residency:** Full-time residency and physical presence in the target area at least 300 days per year

Loan Terms & Conditions (please read terms carefully before signing this Master Promissory Note):

I, _____ (Borrower), accept to the extent that I fulfill my Return Commitment under the BYU–Hawaii IWORK Loan Agreement (Program), promise to pay to the Lender, or the subsequent holder of this Note, the entire loan amount disbursed to me through the Program, as evidenced by the total amount set forth in the Vouchers, copies of which are attached hereto and incorporated herein by this reference, to the extent that such principal sums are advanced to Borrower, and an amount equivalent to simple interest on these sums at the rate of **4 percent** (4%) per annum. If Borrower fails to pay any of these amounts when due, Borrower will also pay all fees which are permitted under the terms of this Note and all costs that are incurred by Lender or its agents in collection of these amounts.

The Lender and Borrower understand that the following terms apply to this Note:

1. Repayment

Borrower will repay this Note in accordance with the following terms and conditions:

A. Repayment Terms

(i) The exact amount of the equal monthly installments which must be made under these circumstances will be set forth in a separate document, known as the Amortization Schedule, which the Lender is to provide to Borrower when such monetary repayment is due. However, Borrower agrees that this Note will be paid over a repayment period, to be set by the Lender, for a period not to exceed eight (8) years, unless agreed to in writing by the Lender, and that any monthly installment will be in an amount of at least \$50 per month. Additionally, Borrower agrees that all monthly payments will be due and payable on the first day of each and every month unless otherwise agreed to in writing by the Lender.

(ii) Except as otherwise set forth in Section C, simple interest will begin to accrue upon expiration of the deferral period and any applicable grace period. Notwithstanding the above, if Borrower applies for in advance, and obtains from the Lender in writing, an approved leave of absence from attending BYU–Hawaii or an eligible graduate educational institution, payment of this Note and any interest charges will be stayed for a period of time equal to the approved leave of absence.

B. Loan Deferral and Grace Periods (Interest will not accrue and payments will not become due on this Note during any loan deferral and grace periods, as defined herein).

(i) **Loan Deferral.** Interest and payments on this Note may be deferred during all times in which Borrower is enrolled as an undergraduate student at BYU–Hawaii or as a full-time graduate student in an eligible graduate educational institution approved by BYU–Hawaii. Graduate schools in the U.S.A. are **NOT** eligible graduate educational institutions and loan payments will not be deferred while the borrower is enrolled in them. Borrower must provide supporting documentation to demonstrate his or her qualification for deferral. BYU–Hawaii, in its sole discretion, will determine whether the documentation provided is sufficient for further deferral of his or her obligations under this Note.

(ii) **Grace Period.** Borrower will repay this Note, together with interest and all applicable Fees, in equal monthly installments that will begin upon the expiration of a six-month grace period. The grace period will commence upon the first occurrence of any of the following events, and will conclude after six months (unless Borrower requalifies for deferral as set forth in Section 1.B.(1) prior to the conclusion of the grace period):

1. Borrower's graduation from BYU–Hawaii, or an eligible graduate educational institution
2. Borrower's withdrawal from BYU–Hawaii or an eligible graduate educational institution prior to graduation, either temporarily or permanently
3. Borrower's ceasing to carry a full-time academic course load at BYU–Hawaii or an eligible graduate educational institution, unless authorized in writing by BYU–Hawaii or by the graduate institution and approved by BYU–Hawaii

C. Loan Forgiveness through Return to Target Area

(i) Borrower may qualify for forgiveness of the debts incurred under this Note if Borrower returns to his or her Target Area and remains in the Target Area as a full-time resident for a period of four (4) years. If Borrower resides in the Target Area for less than four (4) full years, or in any given year remains in the Target Area for less than a full year, such residency will qualify Borrower for the equivalent proportional forgiveness of this Note.

(ii) In order to qualify for loan forgiveness, Borrower must establish residency in the Target Area before the expiration of the grace period described in section 1.B.(ii), above. Borrower agrees that, in order to qualify for loan forgiveness under this provision, Borrower shall provide documentation satisfactory to Lender to establish Borrower's residency in the Target Area. This documentation may include, but is not limited to, any of the following:

1. IWORK Loan Forgiveness Verification form (<https://financialaid.byuh.edu/iwork-loan-forgiveness-verification-graduate>)
2. Tax returns or other tax documents showing Borrower's residency in the Target Area

(iii) If Borrower does not establish his or her residency in the Target Area to Lender's satisfaction within the grace period described in Section 1.B.(ii), Borrower will repay this Note, in accordance with Section 1.A., together with interest which will begin to accrue on the Note upon expiration of the grace period as set forth herein. After any amount has become due on this Note but

before the Note is paid in full, Borrower may, with Lender's approval, qualify for forgiveness of the remaining portion of his or her indebtedness under this Note by:

1. Establishing residency and providing Lender with satisfactory documentation of his or her residency in the Target Area pursuant to Section 1.C.(ii), and
2. Being current on all repayment obligations under this Note.

(iv) In the event Borrower returns to the Target Area prior to the end of the grace period, but fails to remain in the Target Area for a sufficient period of time to qualify for forgiveness of this Note in full, Borrower will repay the balance then due on this Note in accordance with Section 1.A., with interest, which will begin to accrue on the Note upon the first day after BYU–Hawaii's receipt of Borrower's most recent confirmation of residency in the Target Area.

2. Prepayment and Work Study

Borrower may, at Borrower's option and without penalties, prepay all or any part of the principal and accrued interest of this Note at any time. Any prepayments will be credited first to any fees, then to accrued interest due and owing, and then to the unpaid principal balance. As an express condition of Borrower's qualification for participation in this Program, Borrower has agreed to participate in the BYU–Hawaii International Work Opportunity Returnability and Kuleana (IWORK) Program or other on-campus employment during his or her enrollment at BYU–Hawaii.

3. Default

If Borrower defaults on this Note, the Lender may declare, at its option, the entire unpaid amount of the Note, including interest due and accrued, immediately due and payable. "Default" means the failure of the Borrower to make an installment payment when due (without previously receiving a waiver from the Lender) for a period of time exceeding ninety (90) days, or failure to meet other terms of this Note under circumstances where the Lender finds it reasonable to conclude that the Borrower no longer intends to honor the obligation to repay. If Borrower defaults on this Note, the Lender may disclose that Borrower has defaulted, along with other relevant information, to credit reporting organizations. Borrower will remain in default until Borrower makes three successive full monthly payments or pays the equivalent of three installment payments during any three-month period.

4. Collection Charges

If Borrower is delinquent in making payments when due, Borrower agrees to pay a late fee for any payment not received by holder of this Note within ten (10) days after it is due. Borrower also agrees to pay return check charge for any payment check or automatic payment withdrawal that is returned for insufficient funds. If this Note is declared in default, Borrower agrees to pay reasonable collection costs incurred by holder of this Note in attempting to collect any overdue amount, including attorneys' fees and court costs.

5. Deferral for Reasons other than Continuous Enrollment

Borrower agrees that, upon Borrower's application for a deferral, the Lender may grant a deferral of, or reduction in, the obligation to make payments of interest and principal on this Note. A deferral may be granted only upon approval of the Lender, based upon the sole discretion and judgment of the Lender.

As examples of the types of situations where a deferral may be granted (and not to be considered as examples of when a deferral will be granted), a deferral may be granted if Borrower can establish, by written documentation, to the satisfaction of the Lender, that Borrower is financially unable to make the required payments for the reason that Borrower (a) is enrolled and in attendance as a full-time student at another institution of higher education, (b) is suffering from prolonged illness or disability, (c) is engaged in religious, community, or government service without, or at nominal, compensation, (d) is unemployed despite the exercise of reasonable diligence to secure suitable employment, or (e) is the victim of other extraordinary circumstances under which a continued obligation of repayment would create a severe personal hardship. Borrower will promptly notify the Lender, in writing, as soon as the condition for which the deferral was granted no longer exists.

During an approved period of deferral granted by the Lender, interest will not accrue, and installment payments need not be made. The period of deferral will be excluded from the computation of the payment period for payment of the principal and interest otherwise due and owing.

6. General

a. If Borrower should die or be permanently disabled before the Note is fully paid, the entire balance due thereon, together with accrued and unpaid interest, will be canceled.

b. Until this Note is paid in full, Borrower will promptly notify and inform the Lender, in writing, of any change in Borrower's name, address, social security number, telephone number, or immigration status.

c. Any waiver by the Lender of Borrower's default or breach of the terms of this Note will not be construed or held to be a waiver by Lender of any succeeding or preceding breach or default by Borrower of the same or any other duty or obligation contained herein, nor will any delay in asserting a right hereunder be deemed a waiver of such a right.

d. **RETURN COMMITMENT: IN RETURN FOR FINANCIAL AID RECEIVED UNDER THE BYU-HAWAII IWORK LOAN AGREEMENT PROGRAM, I HEREBY EXPRESS MY AGREEMENT AND INTENTION TO RETURN TO THE TARGET AREA, AS HEREIN ABOVE DEFINED, UPON COMPLETION OF MY UNDERGRADUATE AND/OR GRADUATE EDUCATION, FOR A MINIMUM TERM OF FOUR (4) YEARS.**

e. I HEREBY ACKNOWLEDGE THAT I HAVE REVIEWED AND UNDERSTAND THE PROVISIONS OF THIS NOTE. I HAVE READ THE TERMS AND CONDITIONS OF THIS NOTE AND AGREE TO ABIDE BY THESE CONDITIONS.

Signature of Borrower (your signature must be legible)

Date Signed

Signature of Guarantor (if necessary)

Date Signed