

## MASTER PROMISSORY NOTE

### Keck Graduate Institute International Student Loan Program

Please type or Print clearly

**Full Name:** \_\_\_\_\_ **SSN:** \_\_\_\_\_

**Date of Birth:** \_\_\_\_\_

**Permanent Mailing Address: Street:** \_\_\_\_\_

**City/State:** \_\_\_\_\_ **Country:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_ **Area Code/Telephone Number:** \_\_\_\_\_

**Local Mailing Address: Street:** \_\_\_\_\_

**City/State:** \_\_\_\_\_ **Country:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_ **Area Code/Telephone Number:** \_\_\_\_\_

**Spouse's or Parent's Mailing Address: Name:** \_\_\_\_\_

**Street:** \_\_\_\_\_

**City/State:** \_\_\_\_\_ **Country:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_ **Area Code/Telephone Number:** \_\_\_\_\_

**Two other persons not living with me who know my whereabouts:**

**1. Name:** \_\_\_\_\_

**Street:** \_\_\_\_\_

**City/State:** \_\_\_\_\_ **Country:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_ **Area Code/Telephone Number:** \_\_\_\_\_

**2. Name:** \_\_\_\_\_

**Street:** \_\_\_\_\_

**City/State:** \_\_\_\_\_ **Country:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_ **Area Code/Telephone Number:** \_\_\_\_\_

(Please Print Full Name) \_\_\_\_\_ promises to pay to Keck Graduate Institute (“KGI”) located in Claremont, California, the sum of the amounts that are advanced to me under the terms of this application and Master Promissory Note, including the Terms and Conditions hereto (“MPN”), as listed immediately below, an origination fee equal to Two Percent (2%) of all the amounts which are advanced to me under this MPN (which shall be added to the amounts advanced to me under this MPN and not subtracted from such amounts) and the interest and other fees and costs which become due as provided in this MPN. I understand that multiple loans may be made to me under this MPN. I understand that by accepting any disbursements issued at any time under this MPN, I agree to repay such disbursements. I understand that each loan is separately enforceable based on a true and exact copy of this MPN. If I do not make a payment on a loan made under this MPN when it is due, I promise to pay all late fees, attorneys’ fees and other reasonable collection costs and charges necessary for the collection of any amount not paid by me when due. I understand that The Claremont Colleges Services (“TCCS”) is administering and servicing this MPN for KGI and that, as a result, I will be making all payments under this MPN to TCCS.

Sum of Amounts Advanced \$ \_\_\_\_\_ for Academic Year 2023-24

Signature: \_\_\_\_\_ Today’s Date(mm/dd/yy): \_\_\_\_\_

The conditions upon which this Master Promissory Note (“MPN”) is given are as follows and include the Terms and Conditions, which are attached hereto and made a part hereof. Any capitalized terms used but not defined herein, shall have the meaning ascribed to them in the Terms and Conditions.

**A. GENERAL**

I understand that if I am eligible for deferment or cancellation under sections C, F or G hereof, I am responsible for submitting the appropriate requests to KGI within the required time period.

**B. INTEREST**

Interest shall accrue at the rate per annum on the unpaid balance described in this Section

1. Interest shall accrue:
  - (a) from the date of the first borrowing under this MPN;
  - (b) on unpaid interest if I choose not to pay the optional bills for accrued interest while I am still enrolled at KGI; and
  - (c) during any deferment period described in Section F.
2. Unless otherwise noted herein or agreed to by the parties, for all amounts advanced under this MPN to me for any academic year or portion thereof, the interest rate shall be established on April 1, which precedes the start of the applicable academic year, at a rate equal to the prime rate of interest announced for such day, or the first business day following immediately thereafter if April 1 falls on a Saturday or Sunday or a holiday, as The Wall Street Journal prime rate, plus Five Percent (5%); provided however, that in no event shall such interest rate be less than Six and One Half Percent (6.5%). For amounts advanced under this MPN for the **Academic Year 2023/24 beginning in Fall 2023, the interest rate shall be Eight and One Quarter Percent (8.25%) instead of the Wall Street Journal prime rate, plus five percent.**

**C. REPAYMENT**

1. I promise to pay KGI all sums disbursed under the terms of this MPN, plus interest and other fees, which may become due as provided in this MPN in equal monthly installments of principal and interest over a period of time beginning six (6) months after the date I cease to be at least a half-time student at KGI and ending, unless Section C.4 or Section F applies, ten (10) years later (the “Repayment Period”).

2. I have the option of paying the interest that accrues on my loans during grace, in-school, deferment (including in-school deferment), forbearance, and certain other periods, but if I do not do so, KGI may add unpaid interest that accrues on my loans to the principal balance of those loans at the end of the grace, deferment, forbearance, or other period. This is called “capitalization.” Capitalization will increase the principal amount owed on the loan and the total amount of interest I must pay.
3. I understand that multiple loans may be made to me under this MPN. I understand that by accepting any disbursements issued at any time under this MPN, I agree to repay such disbursements. I understand that each loan is separately enforceable based on a true and exact copy of this MPN.
4. I understand that I may cancel or reduce the amount of any loan by not accepting or by returning all or a portion of any disbursement that is issued. If I do not make any payment on any loan under this MPN when it is due, I promise to pay all reasonable collection costs, including attorney fees, court costs and other fees incurred by KGI.
5. If I am temporarily unable to make my monthly loan payments, I may request and KGI may, at its sole and absolute discretion, grant me a deferment or forbearance that allows me to temporarily stop making payments or to temporarily make a smaller payment amount for a period of not more than six (6) months.
6. I may fully repay different loans made under this MPN at different times.
7. After you have fully repaid a loan, KGI will send you a notice telling you that you have paid off your loan.

**D. PREPAYMENT**

1. I may at my option and without penalty prepay all or any part of the principal, plus the accrued interest thereon, at any time.
2. Amounts I repay in the academic year in which the loan was made will be used to reduce the amount of the loan and will not be considered a prepayment.
3. If I repay more than the amount due for the installment, the excess will be used to prepay the principal.

**E. DEFAULT**

1. If I fail to make a scheduled repayment of any installment or fail to file any necessary forms with KGI on time, the entire unpaid indebtedness under this MPN, including interest due and accrued thereon, plus any applicable fees, costs and charges, will, at the option of KGI, become immediately due and payable.
2. I understand that if I default on my loan repayments KGI may disclose that I have defaulted along with other relevant information to credit bureau organizations.
3. I will pay any costs of collection and reasonable attorneys' fees incurred by KGI if I default in the repayment of this MPN.

**F. IN-SCHOOL DEFERMENT**

During the Repayment Period, upon proper notice to KGI that I am enrolled and in attendance as at least a half-time student at an institution of higher education within the United States or at a comparable institution outside the United States, monthly payments due under this MPN need not to be paid, however, all interest will continue to accrue and will be Capitalized unless otherwise paid. Such in-school deferment is subject to review and approval by KGI that I have met each of the necessary qualifications.

**G. DEATH AND DISABILITY CANCELLATION**

If I should die or become permanently and totally disabled, the entire amount of the loan(s) issued under this MPN plus the interest thereon shall be cancelled upon KGI's receipt of acceptable documentation.

**H. CHANGE OF NAME, ADDRESS, AND SOCIAL SECURITY NUMBER**

I am responsible for informing KGI and TCCS of any change or changes in my name, address, social security number or Tax Identification Number (TIN) by notice in writing mailed to KGI Student Loans Office, c/o The Claremont Colleges Services, 101 South Mills Ave, Claremont, CA 91711.

**I. INFORMATION PROVIDED**

The information I provide on this MPN and that I update from time to time is true, complete, and correct to the best of my knowledge and belief.

**J. REVIEW OF ALL DOCUMENTATION**

I promise that I will not sign this MPN before reading the entire MPN and the Terms and Conditions, even if I am told not to read it, or told that I am not required to read it.

**I UNDERSTAND THAT I MAY RECEIVE ONE OR MORE LOANS UNDER THIS MASTER PROMISSORY NOTE AND THAT I MUST REPAY SUCH LOANS. BY SIGNING THIS MPN, WHETHER ELECTRONICALLY OR ON A PAPER COPY, I PROMISE THAT I HAVE READ, UNDERSTAND, AND AGREE TO THE TERMS AND CONDITIONS OF THE MPN.**

Signature: \_\_\_\_\_

Today's Date (mm/dd/yy): \_\_\_\_\_

Print Name: \_\_\_\_\_

**NOTE:** The proceeds of this MPN will be applied to your student account upon receipt by KGI of a completed application form and an enforceable promissory note.

## **Terms & Conditions to Master Promissory Note**

### **1. USE OF THE MPN TO MAKE MORE THAN ONE LOAN**

This MPN can be used to make multiple loans to you to pay your educational expenses over a period of up to 4 years. If you do not want to receive more than one loan under this MPN, you must notify your school or your servicer in writing.

### **2. LOAN FEE**

KGI charges a loan origination fee of 2% for each loan you receive. The loan fee is a percentage of the loan amount and will reduce the amount of money you receive to pay for your educational expenses. However, you are required to pay the full amount of the loan, including the amount that was taken for the loan origination fee. The specific loan origination fee you are charged will be shown on disclosure statements that will be sent to you.

### **3. LATE CHARGES AND COLLECTION COSTS**

If you do not make your full monthly loan payment within 30 days of your due date, KGI may require you to pay a late charge of not more than six cents for each dollar of each late payment. KGI may also require you to pay any other charges and fees that are related to the collection of your loan. If you default on a loan, you must pay reasonable collection costs, plus any court costs and attorney fees.

### **4. DEFAULTING ON YOUR LOAN**

You will be considered in default on your loan if:

- You do not make your monthly loan payments for a total of at least 120 days; or
- You do not comply with other terms of the MPN, and KGI determines that you do not intend to repay your loan.

If you default, KGI may:

- Capitalize all outstanding interest, which will increase the principal amount due on the loan and the total amount of interest you will pay;
- Report the default to nationwide consumer reporting agencies (credit bureaus), where applicable, which will significantly and negatively affect your credit history;
- Demand that you immediately repay the loan in full;

- Order administrative wage garnishment (AWG) of your wages, where possible;
- File a lawsuit against you to collect on the loan; and require you to pay collection costs, which will increase the total amount you must pay on your loan.
- Contract with one or more third-party collection agencies in the United States or foreign countries (as permitted by applicable law) to collect on the loan.

## **5. REPAYMENT TERMS AND CAPITALIZATION OF INTEREST:**

- a. **Deferment Period:** Interest will accrue but you are not required to make payments during the Deferment Period. KGI will capitalize the accrued and unpaid interest at the beginning of the Repayment Period.
- b. **Repayment Period:** You are required to make payments during the Repayment Period in consecutive, monthly installments until you pay the principal, interest, and all other charges owed under this MPN.
- c. **Payment Due Dates:** Payments will be due monthly on the same day of each month as determined by KGI. The first payment in the Repayment Period will be due approximately 30 days, but not more than 60 days, after the start of the Repayment Period.
- d. **Calculation of Initial Payment Amount:** At the start of the Repayment Period, KGI will calculate the payment amount necessary to amortize your outstanding loan balance, including capitalized interest, at the current interest rate in equal installments over the number of months in the Repayment Period.
- e. **Application of Payments:** Payments will be applied first to accrued interest and then to principal. Under some circumstances, the payment amount may not cover the interest that accrues. In those cases, KGI will add the unpaid interest to the principal balance of the loan.
- f. **Forbearance:** If you are unable to repay your loan according to the terms of this MPN, KGI may grant you a deferral or forbearance of your payments. If KGI grants you a forbearance, interest will continue to accrue during the forbearance period. Any accrued and unpaid interest will be Capitalized and added to the principal balance of your loan at the end of the forbearance period.
- g. **Amounts Owing at the End of the Repayment Period:** Because interest accrues monthly on the outstanding principal loan balance, you may owe principal, interest, and/or other charges at the end of the Repayment Period if the interest rate changes or if you make payments after the payment due dates. In these cases, KGI will increase the amount of the last monthly payment by



the amount necessary to repay the loan in full. However, the amount of the final payment will not be more than twice the amount of the previous payment. If necessary, KGI will increase the number of payments.

**6. PREPAYMENT:**

You may prepay, in full or in part, the amount owed on this MPN at any time without penalty. If you prepay the loan in part, you agree to continue to make regularly scheduled payments until all amounts due under this MPN are paid. If you have more than one loan outstanding, you may direct the amount of your prepayment to one or more particular loans. If you do not specify how to apply your prepayment, KGI will apply it to your loans in any order KGI determines.

**7. YOUR RIGHT TO CANCEL:**

Under the Truth-in-Lending Act, you have the right to cancel your loan prior to the first disbursement by giving notice to us in writing.

**8. FINANCIAL PRIVACY ACT NOTICE**

Under the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401-3421), KGI will have access to financial records in your student loan file maintained in compliance with the administration of the International Student Loan Program, and also to the financial records of any account at a financial institution or service provider used to disburse funds to you.

**9. ARBITRATION OF DISPUTES:**

- a. **Agreement to Arbitrate:** If a dispute arises between you and KGI, either party may choose to resolve the dispute by binding arbitration, as described below, instead of in court. Any claim (except for a claim challenging the validity or enforceability of this arbitration provision, including the Class Action Waiver) may be resolved by binding arbitration if either party requests it. This includes claims and disputes relating to any other loan or agreement you have or had with KGI. THIS MEANS IF EITHER YOU OR KGI CHOOSE ARBITRATION, NEITHER PARTY WILL HAVE THE RIGHT TO LITIGATE THE CLAIM IN COURT OR TO HAVE A JURY TRIAL. DISCOVERY AND APPEAL RIGHTS ARE LIMITED IN ARBITRATION.
- b. **CLASS ACTION WAIVER:** ARBITRATION MUST BE ON AN INDIVIDUAL BASIS. THIS MEANS NEITHER YOU NOR KGI MAY JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER BORROWERS, OR LITIGATE IN COURT, OR ARBITRATE ANY CLAIMS AS A REPRESENTATIVE OR MEMBER OF A CLASS OR IN

A PRIVATE ATTORNEY GENERAL CAPACITY. Only a court, and not an arbitrator, will determine the validity and effect of the Class Action Waiver. Even if all parties have opted to litigate a claim in court, you or KGI may elect arbitration with respect to any claim made by a new party or any new claims later asserted in that lawsuit.

**10. EFFECT OF PARTIAL INVALIDITY:**

If any provisions of this MPN are rendered invalid or unenforceable, those provisions shall be considered omitted from this MPN without affecting the validity or enforceability of the remaining provisions of this MPN.

**11. OTHER DEFINITIONS:**

- a. “Capitalization” is the addition of accrued and unpaid interest to the outstanding principal balance of a loan made under this MPN. After KGI capitalizes interest, interest will accrue on the new principal balance, including the capitalized interest.
- b. “Deferment Period” is the period of a loan made under this MPN during which you are not required to make any payments of principal or interest. The Deferment Period will begin on the date the loan is first disbursed and will end six months after you cease to be enrolled at KGI or at least as a half-time student at an institution of higher education within the United States or at a comparable institution outside the United States. If you have more than one loan with us, you consent and agree that KGI may extend the Deferment Period for any of your loans to expire at the end of the longest Deferment Period for any of your loans.
- c. “Principal” is the amount disbursed to you or on your behalf under the terms of the MPN.