



Biola Loan Instructions:

Master Promissory Note (MPN)

Follow carefully the requirements below. Failure to complete all steps accurately will result in a delay of the disbursement of your Biola Loan.*

DIRECTIONS:

Check off the following

- Read** the following 3-page Master Promissory Note.
- Write your full name** on the line in the first paragraph on page 1.
- Complete** the “Borrower Section” of the Master Promissory Note. All the information is required.
Do not use your Biola address.
- Make a copy** for your records.
- Submit** page 1 of the completed Master Promissory Note to the Financial Aid Office.

*NOTES:

- Do not send faxed, digitally-imaged, or photocopied version. **Send clearly printed original only.**
- Use only **black** or **blue ink** in completing this MPN.
- Complete the “Cosigner Section” only if you are a minor.



Biola University Loan Master Promissory Note

I, _____, promise to pay to Biola University, Inc. (hereinafter called the "Institution") located at 13800 Biola Avenue, La Mirada, California 90639, the sum of such amounts as may from time to time be advanced to me. I promise to pay all reasonable collection costs, including attorney fees and other charges, necessary for the collection of any amount not paid when due. I agree that the Biola University Educational Loan falls within the meaning of section 523 (a) (8) of the U.S. Bankruptcy Code and I hereby waive my right to the Statute of Limitations.

I. GENERAL

All sums advanced under this Master Promissory Note (hereinafter called the "Note") are funded by contributions from various benefactors with the purpose being to establish a loan specifically used to assist qualified Biola University student recipients.

II. INTEREST

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.

III. DEFERMENTS

I may defer making scheduled installment payments and will not be liable for any interest that might otherwise accrue ONLY during any period that I am enrolled and attending as a regular student in at least a half-time course of study at Biola University.

Terms & Conditions continued on next page...

BORROWER SECTION:

I understand and agree to all of the terms and conditions of this Note. I accept use of this form as my Master Promissory Note for all loans received under the Biola University Loan program. I understand that I may receive one or more loans under this Master Promissory Note and that I must repay such loans. (This Note is signed as a sealed instrument)

Signature

Date

Telephone No.

Permanent Address (Street, City, State and Zip Code)

Social Security No.

Driver's License No.

Issued by State

Birthdate

COSIGNER SECTION (complete this section only if the student is a minor):

The borrower shall execute this Note without security and without endorsement unless the borrower is a minor and thus this note would not, under the laws of the State of California, create a binding obligation. If the borrower is a minor and this Note would not therefore be legally binding, the Institution shall require a cosigner to this Note.

I agree to repay all the amounts due on this loan if the borrower fails to do so in accordance with the terms of this Note. I accept use of this form as the Master Promissory Note for all loans received under the Biola University Loan program. I understand that the borrower may receive one or more loans under this Master Promissory Note and that the borrower must repay (or I must repay, if the borrower fails to repay) such loans.

Name (Please Print)

Date

Signature

Permanent Address (Street, City, State and Zip Code)

Social Security No.

Driver's License No.

Issued by State

Telephone No.

Birthdate

The Institution strongly recommends that you and any cosigner make a copy of this complete Note for your records.

IV. PROMISE TO PAY

I promise to pay the Institution, or a subsequent holder of the Note, all sums disbursed under the terms of this Note, plus interest and other fees which may become due as provided in this Note. **I understand that multiple loans may be made to me under this Note.** I understand that by accepting any disbursements issued at any time under this Note, I agree to repay the loans. I understand that each loan is separately enforceable based on a true and exact copy of this Note. 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 Note when it is due, I promise to pay all reasonable collection costs, including attorney fees, court costs, and other fees. I will not sign this Note before reading the entire Note, even if I am told that I am not required to read it. I am entitled to an exact copy of this Note. This loan has been made to me without security or endorsement. My signature certifies I have read, understand, and agree to the terms and conditions of this Note.

V. REPAYMENT

1. I understand that under this Note, the principal amount that I owe, and am required to repay, will be the sum of all disbursements issued unless I reduce or cancel any disbursements. The Institution will determine whether to make any loan under this Note after my loan eligibility is determined. At or before the time of first disbursement for each loan, a disclosure statement will be provided to me identifying the amount of the loan and any additional terms of the loan. I may decline a loan or request a lower amount by contacting the Institution. Any disclosure statement I receive in connection with any loan under this Note is hereby incorporated into this Note.
2. I promise to repay the principal and interest that accrues on this loan after I cease to be at least a half-time student at Biola University. I understand that the first time I cease to be a half-time student at Biola University that I will receive only a one 9 month grace period, and interest will not accrue. If I return to Biola as a half-time student and have not used my entire months of grace, once I drop below half-time status at Biola again, I will only receive the remaining unused months of grace (if any). The loan must be repaid in 10 years (does not include grace period or qualifying Biola-student deferment).
3. Upon my written request, the repayment period may start on a date earlier than the one indicated in paragraph V (2).
4. I promise to repay the principal and interest over the course of the repayment period in equal monthly installments. I understand that if my installment payment for this loan is not a multiple of \$5, the Institution may round that payment to the next highest dollar amount that is a multiple of \$5.
5. If the monthly rate that (would be) established under paragraph V (1) is less than \$40 per month, I shall repay the principal and interest on this loan at the rate of \$40 per month (which includes both principal and interest).

VI. PREPAYMENT

I may, at my option and without penalty, prepay all or any part of the principal, plus any accrued interest thereon, at any time. If I repay more than the amount due for an installment, the excess will be applied to the principal. It will not be considered as an advance payment of the next regular installment unless specifically requested.

VII. DEFAULT

1. The Institution may, at its option, declare my loan to be in default and may demand immediate payment of the entire unpaid balance of the loan, including principal, interest, late charges, and collection costs, if I do not make a scheduled payment when due under the repayment schedule established by the Institution.
2. I understand that if I default on my loan, the Institution may disclose that I have defaulted, along with other relevant information, to credit bureau organizations.

VIII. LOAN REHABILITATION

If I default on my Biola University Loan, and that loan has not been reduced to a judgment as a result of litigation against me, I may rehabilitate my defaulted loan by requesting the rehabilitation and by making a voluntary, on-time, monthly payment, as determined by the Institution, each month for twelve consecutive months. If I successfully rehabilitate my defaulted Biola University Loan, I will again be subject to the terms and conditions and qualify for any remaining benefits and privileges of this Note and the default will be removed from my credit history. **I understand that I may rehabilitate a defaulted Biola University Loan only once.** After my loan is rehabilitated, collection costs on the loan may not exceed 24 percent of the unpaid principal and accrued interest as of the date following the application of the twelfth consecutive payment. If I default on my rehabilitated loan, the cap on collection costs is removed. **Loans in collection may not be rehabilitated.**

IX. CHANGE IN PERSONAL INFORMATION

I am responsible, and any endorser is responsible, for informing the Institution's Bursar's office of any changes in name, address, telephone number, email address, or Social Security Number.

X. LATE CHARGE

1. A monthly late charge of \$10.00 will be imposed if I do not make a scheduled payment when it is due.
2. Late charges will be paid with the next scheduled repayment and any unpaid late charges will be added to the principal.

XI. EXIT INTERVIEW

1. I agree to attend an exit interview prior to completing or terminating full or half-time student status at the Institution.

XII. CANCELLATIONS

1. A Total & Permanent Disability Loan Discharge can be granted on an Institutional loan offered by Biola. A documentation, verification, and waiting process is necessary. Please contact the Educational Loan Specialist in the Bursar Department in Biola's Accounting Department for the application, instructions, and requirements.

Notice About Subsequent Loans Made Under This Master Promissory Note

This Note authorizes the Institution to disburse multiple loans during the multi-year term of this Note upon my request and upon the Institution's determination of my loan eligibility.

Subsequent loans may be made under this Note for the same or subsequent periods of enrollment at this Institution. The Institution, however, may, at its discretion, close this Note at any time and require me to sign a new Note for additional disbursements. I understand that if my Institution chooses to make subsequent loans under this Note, no such loans will be made after the earliest of the following dates: (i) the date the Institution receives my written notice that no further loans may be disbursed under this Note; or (ii) ten years after the date of my (or my Cosigner's, if I am a minor) signature on this Note, or the date the Institution receives this Note.

Privacy Act Notice

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the Biola University Loan Program, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) become delinquent or in default. We may also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case by case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loan(s), to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions efficiently to submit student enrollment status, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.