

**MEFA DEFERRED GRADUATE  
LOAN AGREEMENT**

**THIS LOAN AGREEMENT IS NOT A NEGOTIABLE INSTRUMENT**

In this Loan Agreement, the words, "I," "me" and "my" mean each and any of those who sign or co-sign it (each a "Borrower"). The Borrower whose costs of attendance are financed under this Loan Agreement is sometimes referred to as the "Student Borrower" and other Borrowers are sometimes referred to as "Co- Borrowers." Every signer of this Loan Agreement has an independent, as well as a joint, obligation to fulfill the terms of this Loan Agreement. "You," "your," "yours" and "Holder" mean and refer to the Massachusetts Educational Financing Authority (the "Authority") and any assignee of the Authority's rights under this Loan Agreement or other party entitled to enforce this Loan Agreement. The term "Institution" means the not for profit degree-granting institution at which the Student Borrower's cost of attendance are financed pursuant to this Loan Agreement. The terms FINANCE CHARGE, TOTAL OF PAYMENTS and AMOUNT FINANCED refer to the amounts disclosed on the Disclosure Statement and Itemization of Amount Financed that will be delivered to me prior to the disbursement of any funds. I understand that I am free to notify the Authority of my decision not to borrow money at any time prior to the later of (a) three (3) days after you send me the Final Disclosure Statement and Itemization of Amount Financed and (b) the actual disbursement of funds. I understand that each of the terms shown on such Disclosure Statement and Itemization of Amount Financed are estimates.

**Advances.** I understand that I will be notified of the total amount of money that you will advance to me or pay on my behalf, and the dates when such money will be advanced. I further understand that I may cancel the request for additional advances at any time. Notwithstanding any such notification, I understand that you may not advance any further amounts if a "Default" hereunder shall have occurred and exists, or if the Student Borrower is no longer at least a half-time student at the Institution or is not maintaining satisfactory academic progress as defined by the Institution. In no event shall the amount advanced exceed the amount certified by the Institution, which amount shall not exceed the cost of attendance at the Institution for the period financed by this Loan Agreement less financial aid for the applicable period.

**Important/Read This Information Carefully.** Your receipt of this signed Loan Agreement does not obligate you to lend me money. If you decide to make a loan to me, you will mail a loan check or electronically transfer the loan funds to the Institution. I understand that you have the right not to make a loan to me. If you do not make a loan to me, I will have no obligation to you under this Loan Agreement, and this Loan Agreement will be unenforceable. If you do make a loan to me, as evidenced by your mailing a loan check or electronically transferring the loan funds to the Institution, then all the terms of this Loan Agreement apply to me and to you and, upon such mailing or transfer, this Loan Agreement will constitute a binding agreement of each party.

**Acceptance of the Loan.** I acknowledge receipt from you of the Approval Disclosure relating to the loan made under this Loan Agreement and accept the loan.

**Promise to Pay.** I promise to pay to you \_\_\_\_\_ (or such lesser amount as is advanced to me or paid on my behalf (the "Principal Amount") plus deferred interest added to the Principal Amount of this Loan Agreement pursuant to the "Interest and Deferral" section. I also promise to pay interest on the unpaid principal balance of this Loan Agreement (calculated as set forth in the "Estimated Credit Terms-Right to Prepay in Full or in Part" section below) at the rate of \_\_\_\_\_ per annum. The unpaid principal balance of this Loan Agreement shall be said Principal Amount, plus any deferred interest added thereto pursuant to the "Interest and Deferral" section below, minus any amount applied to principal due but unpaid pursuant to the "Repayment" subsection (a) below. The minimum monthly payment on the loan shall be \_\_\_\_\_, to the extent permitted by applicable law. If I do not make a monthly payment when due, I will be in default on the loan, to the extent permitted by applicable law. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Interest and Deferral.** Provided that the Student Borrower maintains at least half time status at the Institution and is maintaining satisfactory academic progress as defined by the Institution, required payments of principal and interest will be deferred until the earlier of the 28th day of the month that is (i) six months after the student's expected graduation date at the time the Final Disclosure for this Loan Agreement is provided (the end of such

deferral period being the date set forth in the Final Disclosure) or (ii) six months after the 28<sup>th</sup> day of the month in which you determine that the student no longer maintains at least half time status at the Institution (other than as a result of graduation) or is no longer maintaining satisfactory academic progress as defined by the Institution (the "REPAYMENT COMMENCEMENT DATE"). The Repayment Commencement Date may be changed in MEFA's sole discretion based on changes in the Student Borrower's expected graduation date after the Loan Agreement is executed, provided that in any event the Repayment Commencement Date shall be no later than the 28<sup>th</sup> day of the 36<sup>th</sup> month following the Final Disbursement Date (defined below), and that no change in the Repayment Commencement Date shall be binding on the Authority unless the Borrower shall have received written acknowledgment of such change from the Authority. Interest on the unpaid principal balance of this Loan Agreement will, however, accrue from each applicable Disbursement Date (defined below) until I begin repayment. Payments of interest accruing before the Repayment Commencement Date will be deferred until the Repayment Commencement Date. Any such accrued but unpaid interest will be added to the unpaid principal balance of this Loan Agreement on the Repayment Commencement Date.

**Definitions.** "DISBURSEMENT DATE" means each date on which you lend money to me in consideration of the delivery of this Loan Agreement and in each case will be the date of the loan check or the date the loan funds are electronically transferred by the Authority to the Institution. "MATURITY DATE" means the date that is the first 28<sup>th</sup> day of the \_\_\_\_\_ month following the Final Disbursement Date. "FIRST INSTALLMENT DATE" means the date the first monthly installment is due. The first installment date will be on the Repayment Commencement Date (defined above). "FINAL DISBURSEMENT DATE" means the earliest of (i) the date when the total of all amounts authorized to be advanced hereunder has been advanced, (ii) the date when you determine that no additional advances will be made (in the circumstances described under "Advances") or (iii) the date when I notify you that I do not want any additional advances.

**Repayment.** (a) COMMENCEMENT OF REPAYMENT. I will repay this Loan Agreement beginning on the Repayment Commencement Date in consecutive monthly installments in U.S. dollars until the Maturity Date (defined above). The amount of my monthly payment will be equal to the amount that would be sufficient to repay in full by the Maturity Date, in substantially equal monthly payments, the unpaid principal balance (including the deferred interest of this Loan Agreement) as of the Repayment Commencement Date plus interest thereon at the stated interest rate. My installments will be due on the 28<sup>th</sup> day of every month starting on the Repayment Commencement Date. In any event, I will pay the amounts due under this Loan Agreement in full on or before the Maturity Date. Unless otherwise instructed by you, I will make each installment payable to the Holder and will send it to American Education Services, P.O. Box 65093, Baltimore, Maryland 21264-5093 in time to be received on or before its due date. I understand that I, and not you, will be responsible for errors or delays of the postal system, to the extent permitted by applicable law. You will apply each payment in the following order of priority: fees for checks uncollectible because of insufficient funds or otherwise, collection costs, if applicable, interest due or unpaid for the assessment period, principal (including deferred interest added to principal pursuant to the "Interest and Deferral" section above) due but unpaid, and principal not yet due, to the extent permitted by applicable law. Within each priority, payments received will be applied to amounts in the order in which they first became due or payable. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Estimated Credit Terms-Right to Prepay in Full or in Part.** I have agreed to repay this loan according to the schedule set forth above. Interest will be assessed on the basis of the average daily outstanding principal balance during the applicable assessment period. Interest will be computed on the basis of a 365 or 366-day calendar year, unless a different method of calculating interest is required by applicable law. I may prepay the unpaid principal balance in full at any time without penalty. If I do so the entire unearned FINANCE CHARGE will be canceled. I will not receive any refund of the earned portion of the FINANCE CHARGE; provided, however, that no FINANCE CHARGE will thus be imposed which is in excess of applicable law. I also may prepay part of the loan at any time without penalty. If I prepay part of the loan I will still be required to make monthly payments in the amounts set forth above, but the number of such monthly payments will be reduced, thereby shortening the repayment period of the loan. A full or partial prepayment will decrease the total amount of the FINANCE CHARGE you have estimated, since interest is being calculated on the basis of the average daily outstanding principal balance. I understand that if I make a scheduled payment after it is due or if I make

a scheduled payment prior to its due date, the total amount of the FINANCE CHARGE will increase or decrease accordingly since interest is being calculated on the basis of the average daily outstanding principal balance. I also understand that the "Total of Payments" disclosed is estimated since the total amount to be advanced to me or on my behalf is estimated and the FINANCE CHARGE is calculated on the basis of the average daily outstanding principal balance, which will be affected by my repayment habits, and on the basis of an assumed amount to be advanced and assumed Disbursement Dates. I also understand that failure to pay any monthly installment in full or other payment when it is due will be a default on my part as stated below, to the extent permitted by applicable law.

**Obligation to Prepay in Full or in Part from Refunds.** To the extent I receive a refund from the Institution of any amounts paid or refinanced with the proceeds of this Loan Agreement that are not needed for costs of attendance at the Institution, I agree to prepay this loan in full or in part with such refunded amounts.

**Default and Whole Loan Due.** To the extent permitted by applicable law, I will be in default and the whole unpaid principal balance, plus accrued but unpaid interest, if any, then outstanding may become due and payable at once at your option, if (a) payment of any amount required to be paid by me has not been received by you when due; or (b) I break any of my other promises under this Loan Agreement; or (c) any bankruptcy proceeding is begun by or against me or I assign any of my assets for the benefit of my creditors; or (d) I have made any false written statement, or omitted to state a fact necessary to make the written statements which I have made not misleading in applying for the loan evidenced by this Loan Agreement; or (e) I die (each such event, a "Default").

Upon the occurrence of any Default, the Holder reserves the right to seek payment from the Student Borrower and any Co-Borrower of all or any portion of any attorneys' fees, collection agency fees and/or expenses incurred by the Holder in connection with the collection of amounts due to the Holder upon such Default (such fees and expenses to be referred to hereinafter as "Collection Costs"), to the extent permitted by applicable law. If the Holder elects to seek payment of Collection Costs, the Holder or its collection agent will so state in a written notice to the Borrower and any Co-Borrower that describes the unpaid principal balance (including deferred interest described under "Interest and Deferral" above), accrued but unpaid interest and all other amounts due to the Holder under this Loan Agreement by reason of such Default (together, the "Default Obligation") and the Collection Costs to be assessed by reason of such Default. The Student Borrower and each Co-Borrower understand and agree that Collection Costs assessed to the Student Borrower and each co-Borrower by the Holder are reasonable in light of the costs to be incurred by or on behalf of the Holder as a result of the applicable collection activities caused by a Default by the Student Borrower or any Co-Borrower, and are in addition to the unpaid principal balance and the interest accrued and unpaid pursuant to this Loan Agreement and any other amounts due under this Loan Agreement.

I hereby give my permission to any Holder, and any entity to which this Loan Agreement is referred for collection, to access my credit information from any credit reporting agency and to report my payment history to any credit reporting agency. I understand that the loan made under this Loan Agreement will appear as a debt on my credit reports provided by credit reporting agencies.

The Student Borrower and each Co-Borrower understand that if there is a payment delinquency or Default under this Loan Agreement, the Student Borrower and each Co-Borrower may receive written collection notices and/or telephone calls regarding the unpaid amount due. The Student Borrower and each Co-Borrower each hereby gives his or her consent to be contacted for such purpose, including contact by means of an automated dialing announcement device.

**Suspension or Modification.** You are not required to grant any request for a suspension or other modification of the obligation of the Student Borrower and each Co-Borrower to make payments. If any such request is granted, it shall be granted only upon such conditions as may be determined by you in your discretion.

**Impact of Agreement on Ability to Obtain Alternative Financing.** The Student Borrower and each Co-Borrower understand that the loan evidenced hereby may eliminate or reduce their ability to obtain other financial assistance for educational or other purposes.

**Change in Contact Information.** The Student Borrower and each Co-Borrower agree to notify the Authority,

the Institution and the Holder in writing of any change of name, telephone number, address or email address. Failure by any of them to do so, or to respond in writing within a reasonable time to written inquiries by the Authority or the Holder or a representative or agent of either of them relating to payment of the amounts required under this Loan Agreement or observance or performance of any other term or condition of this Loan Agreement, shall constitute a default under this Loan Agreement, to the extent permitted by applicable law.

**Use of Automated Telephone Dialing Equipment, Emails and Text Messages.** By signing this Agreement, I hereby agree that in connection with this Loan Application or for servicing my account and/or collecting amounts I may owe you may contact me using automated telephone dialing equipment or an artificial/pre-recorded voice or text message at any telephone number I provide to you, including any cell phone number. In addition, I agree that you may monitor and record telephone calls regarding my account. I agree that you may contact me at any email address I supply you regarding the originations, servicing and collections of my loan. Additionally, you may text message me at any phone or email address I provide.

**Application of Loan Proceeds.** The proceeds of the loan evidenced by this Loan Agreement shall not be applied, directly or indirectly, for any purpose other than financing the Student Borrower's cost of attendance at a not for profit degree-granting institution. By signing this Loan Agreement, each of the Student Borrower and each Co-Borrower hereby certifies that the information supplied in the loan application for the loan made under this Loan Agreement concerning the Student Borrower's state of residence and the identity and location of the Institution at which the cost of attendance financed by the loan made under this Loan Agreement have been or are being incurred is true, correct and accurate, and acknowledges that the Authority is relying on such certification in determining the Student Borrower's eligibility for the loan made under this Loan Agreement.

**Acceptance of Delinquent Installments.** The acceptance of any delinquent installment(s) shall not operate to extend the time of payment of any amount(s) then remaining unpaid or constitute a waiver of any rights or remedies. No extension of time for the payment of any amount owing under this Loan Agreement at any time shall alter the liability of the Student Borrower or any Co-Borrower.

**Documentation and Assignment.** Presentment, demand, dishonor, protest and all other demands and notices in connection with the delivery, acceptance, performance or collection of this Loan Agreement are hereby waived. This Loan Agreement is a sealed instrument. This Loan Agreement may be transferred or assigned by the Holder without the consent of the Student Borrower or any Co-Borrower, but the obligations of the Student Borrower and any Co-Borrower may not be assigned by the Student Borrower or any Co-Borrower.

**Severability and Enforceability.** If any provision hereof is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other provisions of this Loan Agreement or of this Loan Agreement as a whole.

**Choice of Law.** The Authority is located in Massachusetts, and the Authority's decision on whether to lend me money will occur in Massachusetts. Consequently, the provisions of this Loan Agreement will be governed by the law of The Commonwealth of Massachusetts, without regard to conflict of law rules.

**Limits on Discharge of Debt in Bankruptcy.** I acknowledge that the Authority's loan program is funded by a governmental unit and that this Loan Agreement is, therefore, subject to the limits on dischargeability in bankruptcy contained in Section 523(a)(8) of the United States Bankruptcy Code. That means that the debt I am assuming is not dischargeable in bankruptcy unless the exemption from discharge would cause me and my dependents "undue hardship" as this phrase would be interpreted under applicable law.

**Change in Payment Dates.** I acknowledge that you may be required to change my payment day(s) in connection with a change to a new loan servicer and that in such event, all references in this Loan Agreement to the 28th shall refer to such other day as is required. You agree to give me advance notice of any such change in days.

**Joint and Several Liability.** The Student Borrower and each Co-Borrower under this Loan Agreement is jointly and severally obligated on this Loan Agreement. This means that in the case of a default, the Holder may sue one or more of the Student Borrower and any Co-Borrower separately, or all of them together, at the Holder's option.

**Notices to Borrower.** Unless I am otherwise notified, the Authority or other Holder will send billing statements and other notices relating to this Agreement to the Student Borrower listed above (the “Notice Borrower”). Unless I am otherwise notified or otherwise required by applicable law, the borrower listed on the annual student loan interest statement (Form 1098-E or any successor thereto) filed by us with the Internal Revenue Service, and the recipient of the borrower copy of such statement, will be the Notice Borrower.

**Co-Borrower Liability.** The Student Borrower is obligated to repay the amounts owed under this Loan Agreement. Each Co-Borrower is obligated to repay the amounts owed under this Loan Agreement. The Authority or any other Holder is entitled to collect the amounts owed under this Loan Agreement from the Student Borrower without attempting to collect such amount from any Co-Borrower, and is entitled to collect the amounts owed under this Loan Agreement from any Co-Borrower without attempting to collect such amount from the Student Borrower or any other Borrower. The Student Borrower’s and each Co- Borrower’s obligations include the obligations to pay the principal and interest on the loan made under this Loan Agreement in the amounts and at the times specified herein, give notice of address and name changes, and pay collection costs to the extent permissible under the law. Neither the Authority nor any other Holder is required to send copies of any billing statements sent to the Notice Borrower to any other Borrower. If there is more than one Borrower, all parties agree that any communication between the Authority or any other Holder and any Borrower will be binding on all parties, and that all provisions of this Loan Agreement will apply to all Borrowers individually and collectively.

**[The Remainder of this Page is Left Intentionally Blank]**

I acknowledge that I have received, read and understand the provisions of this Loan Agreement, including those set forth on the front and back of all pages of this document. The applicable payment dates and other dates that are derived from the applicable payment dates may be changed to a date that matches my similar loans already in repayment with the loan servicer. My signature below both evidences such acknowledgement, including acknowledgement that the obligations of all persons signing this Loan Agreement are joint and several, and constitutes my signature on this Loan Agreement. I agree that any signature delivered by facsimile and by email will be deemed to be an original signature for all purposes, including for purposes of contract enforcement and rules of evidence in any judicial or arbitration proceeding.

**This Paragraph Applies to Loan Agreements Signed Electronically.** I understand that I am not required to sign electronically this Loan Agreement and any related notices that require signature. If I choose to sign electronically this Loan Agreement and any related notices that require signature, I intend: (i) my electronic signature to be an electronic signature under applicable federal and state law, (ii) any printout of your electronic record of this Loan Agreement and related notices to be an original document, (iii) to conduct business with you by electronic records and electronic signatures, and (iv) that this Loan Agreement will not be governed by Article 3 of the Uniform Commercial Code, and my obligations under this Loan Agreement will not be subject to, but any transfer of my obligations will be subject to, Article 9 of the Uniform Commercial Code.

**For Alabama Residents: CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

**For Iowa Residents: NOTICE TO CONSUMER:**

[1] Do not sign this paper before you read it.

[2] You are entitled to a copy of this paper.

[3] You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**For Kansas Residents: NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.**

**For Maryland Residents: Lender elects to make this loan pursuant to Subtitle 10 (Credit Grantor Closed End Credit provisions) of Title 12 (Credit Regulations) of the Maryland Commercial Law, Md. Code Ann., Com. Law § 12-1001 *et seq.***

**For Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it. You may prepay the loan, in whole or in part, at any time. If interest has been added to the principal of the loan, the interest is subject to the refund requirements of Mo. Rev. Stat. § 408.170, if the loan is prepaid in full.**

**Loans to Missouri residents pursuant to the rate limitations of 408.030 are subject to the compounding and collection costs limitations pursuant to 408.080 and 408.092.**

**Loans to Missouri residents pursuant to 408.100 are subject to the fee limitations pursuant to 408.140.1 and interest shall not be capitalized or compounded. Acceleration of the note is subject to the notice requirements pursuant to 408.551 to 408.562.**

**For North Dakota Residents: NOTICE: MONEY BROKERS ARE LICENSED AND REGULATED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS, 2000 SCHAFER STREET, SUITE G, BISMARCK, NORTH DAKOTA 58501-1204. THE DEPARTMENT OF FINANCIAL INSTITUTIONS HAS NOT PASSED ON THE MERITS OF THE CONTRACT AND LICENSING DOES NOT CONSTITUTE AN APPROVAL OF THE TERMS OR OF THE BROKER'S ABILITY TO ARRANGE ANY LOAN. COMPLAINTS REGARDING THE SERVICES OF MONEY BROKERS SHOULD BE DIRECTED TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS.**

**For Oregon Residents: This loan is made subject to the Oregon Unlawful Trade Practices Acts, including but not limited to Oregon Revised Statutes (ORS) 646.633; 646.607; and 646.608.**

**For South Dakota Residents: Any improprieties in making this loan or in Massachusetts Educational Financing Authority's loan practices may be referred to the South Dakota Division of Banking at 1601 N. Harrison Avenue, Suite 1, Pierre, South Dakota 57501, phone number: (605) 773-3421.**

**Requests for a loan modification may be considered on a case-by-case basis. The timeframe for maturity of the loan may not be extended. To request a modification, or for more information, please call (800) 233-0557.**

**To request a refinance of this loan, please call (855) 433-7334. If we agree to refinance this loan, you will not incur any refinance-specific fees or charges.**

**For West Virginia Residents: "THIS CONTRACT IS NOT PAYABLE IN INSTALLMENTS OF EQUAL AMOUNTS. LARGER INSTALLMENTS WILL BE DUE AS FOLLOWS: Please see your Final Disclosure for estimated payment due dates and amounts."**

**For Wisconsin Residents: NOTICE TO CUSTOMER: (a) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. (b) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (c) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.**

**For Wisconsin Residents: For married Wisconsin residents, Borrower's signature confirms that this loan obligation is being incurred in the interest of Borrower's marriage or family. No provision of any marital property agreement (pre-marital agreement), unilateral statement under § 766.59 of the Wisconsin statutes or court decree under § 766.70 adversely affects Authority's interest unless, prior to the time that the loan is approved, Authority is furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. If this loan for which Borrower is applying is granted, Borrower will notify Authority if Borrower has a spouse who needs to receive notification that credit has been extended to Borrower.**

**DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT IN ITS ENTIRETY, INCLUDING THE NOTICES TO COSIGNER.**

\_\_\_\_\_  
Student Borrower (Notice Borrower):

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Co-Borrower:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Co-Borrower:

\_\_\_\_\_  
Date:

## **NOTICES FOR COSIGNERS**

### **IOWA NOTICE TO COSIGNER:**

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

### **IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY**

Name of Debtor: The Notice Borrower

Name of Creditor: MEFA

Date: The date of disbursement

Kind of Debt: Education loan

Total of Payments: The total of payments will be disclosed in the Final Truth-in-Lending Disclosure you will receive prior to the loan disbursement, and it will include the principal loan amount (which will not be greater than the Loan Amount Requested) and accrued interest.

### **WEST VIRGINIA NOTICE TO COSIGNER:**

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay it if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, the fact may become a part of your credit record.



**MEFA UNDERGRADUATE  
INTEREST-ONLY PERIOD  
LOAN AGREEMENT**

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**Advances.** I understand that I will be notified of the total amount of money that you will advance to me or pay on my behalf, and the dates when such money will be advanced. I further understand that I may cancel the request for additional advances at any time. Notwithstanding any such notification, I understand that you may not advance any further amounts if a “Default” hereunder shall have occurred and exists, or if the Student Borrower is no longer at least a half-time student at the Institution or is not maintaining satisfactory academic progress as defined by the Institution. In no event shall the amount advanced exceed the amount certified by the Institution, which amount shall not exceed the cost of attendance at the Institution for the period financed by this Loan Agreement less financial aid for the applicable period.

**Important/Read This Information Carefully.** Your receipt of this signed Loan Agreement does not obligate you to lend me money. If you decide to make a loan to me, you will mail a loan check or electronically transfer the loan funds to the Institution. I understand that you have the right not to make a loan to me. If you do not make a loan to me, I will have no obligation to you under this Loan Agreement, and this Loan Agreement will be unenforceable. If you do make a loan to me, as evidenced by your mailing a loan check or electronically transferring the loan funds to the Institution, then all the terms of this Loan Agreement apply to me and to you and, upon such mailing or transfer, this Loan Agreement will constitute a binding agreement of each party.

**Acceptance of the Loan.** I acknowledge receipt from you of the Approval Disclosure relating to the loan made under this Loan Agreement and accept the loan.

**Promise to Pay.** I promise to pay to you \_\_\_\_\_ (or such lesser amount as is advanced to me or paid on my behalf) (the “Principal Amount”) plus interest from the Disbursement Date (defined below) on the unpaid Principal Amount (calculated as set forth in the “Estimated Credit Terms-Right to Prepay in Full or in Part” section below) at the rate of \_\_\_\_\_ per annum. Interest on my loan will begin accruing on the Initial Disbursement Date. Any interest that accrues between the Initial Disbursement Date and the Final Disbursement Date (defined below) shall be added to the Principal Amount of the loan as of the Final Disbursement Date. I will make payments in \_\_\_\_\_ consecutive monthly installments in U.S. dollars. The amount of my monthly payment during the In-School Period will be an amount equal to interest accrued on the Principal Amount as of the Final Disbursement Date of the loan (including interest added to the Principal Amount as of the Final Disbursement Date) during the period of approximately one month preceding the due date of each installment. If I prepay part of the loan during the In-School Period, the amount of my monthly payment during the remainder of the In-School Period will not change, but the portion of the monthly payment in excess of the interest accrued on the remaining Principal Amount of the loan will be treated as a prepayment as described under “Estimated Credit Terms-Right to Prepay in Full or in Part” below. If I do not make a monthly interest payment when due, I will be in default on the loan, to the extent permitted by applicable law. Beginning on the Amortization Commencement Date (defined below), the amount of my monthly payment will be equal to the amount that would be sufficient to repay

in full by the Maturity Date (defined below), in substantially equal monthly payments, the Principal Amount (taking into account prepayments applied to the Principal Amount prior to calculation of such equal monthly payment) prior to the Amortization Commencement Date and interest thereon. The minimum monthly payment on the loan after the In-School Period shall be \_\_\_\_\_, to the extent permitted by applicable law. My installments will be due on the 28th day of every month starting on the First Installment Date. In any event, I will pay the amounts due under this Loan Agreement in full on or before the Maturity Date. Unless otherwise instructed by you, I will make each installment payable to the Holder and will send it to American Education Services, P.O. Box 65093, Baltimore, Maryland 21264-5093 in time to be received on or before its due date. I understand that I, and not you, will be responsible for errors or delays of the postal system, to the extent permitted by applicable law. You will apply each payment in the following order of priority: fees for checks uncollectible because of insufficient funds or otherwise, collection costs, if applicable, interest due or unpaid for the assessment period, principal due but unpaid, and principal not yet due, to the extent permitted by applicable law. Within each priority, payments received will be applied to amounts in the order in which they first became due or payable. During the In-School Period, if I make a monthly interest payment prior to the applicable installment date a portion of that payment may be applied to principal and thereby reduce the Principal Amount of the loan. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Definitions.** “DISBURSEMENT DATE” means each date on which you lend money to me in consideration of the delivery of this Loan Agreement and in each case will be the date of the loan check or the date the loan funds are electronically transferred by the Authority to the Institution. “IN-SCHOOL PERIOD” means the period beginning on the Initial Disbursement Date of any advance made under this Loan Agreement and ending on the following date: (i) for disbursements relating to the Student Borrower’s first year of enrollment at the Institution (freshman year), the first day of the month following the month in which the 4-year anniversary of the Final Disbursement Date (defined below) occurs; (ii) for disbursements relating to the Student Borrower’s second year of enrollment at the Institution (sophomore year), the first day of the month following the month in which the 3-year anniversary of the Final Disbursement Date occurs; (iii) for disbursements relating to the Student Borrower’s third year of enrollment at the Institution (junior year), the first day of the month following the month in which the 2-year anniversary of the Final Disbursement Date occurs; or (iv) for disbursements relating to the Student Borrower’s last year of enrollment at the Institution (senior year), the first day of the month following the month in which the 1-year anniversary of the Final Disbursement Date occurs. “MATURITY DATE” means the date that is the 28th day of the \_\_\_\_\_ month following the Final Disbursement Date. “FIRST INSTALLMENT DATE” means the date the first monthly installment of interest is due. The first installment date will be on the 28th day of the month following the month in which the Final Disbursement Date occurs. “AMORTIZATION COMMENCEMENT DATE” means the date the first monthly installment of principal and interest is due. The Amortization Commencement Date will be the 28th day of the month in which the In-School Period ends. “FINAL DISBURSEMENT DATE” means the earliest of (i) the date when the total of all amounts authorized to be advanced hereunder has been advanced, (ii) the date when you determine that no additional advances will be made (in the circumstances described under “Advances”) or (iii) the date when I notify you that I do not want any additional advances.

**Estimated Credit Terms-Right to Prepay in Full or in Part.** I have agreed to repay this loan according to the schedule set forth above. Interest will be assessed on the basis of the average daily outstanding principal balance during the applicable assessment period. Interest will be computed on the basis of a 365 or 366-day calendar year, unless a different method of calculating interest is required by applicable law. I may prepay the unpaid principal balance in full at any time without penalty. If I do so the entire unearned FINANCE CHARGE will be canceled. I will not receive any refund of the earned portion of the FINANCE CHARGE; provided, however, that no FINANCE CHARGE will thus be imposed which is in excess of applicable law. I also may prepay part of the loan at any time without penalty. If I prepay part of the loan I will still be required to make monthly payments in the amounts set forth above, but the number of such monthly payments will be reduced, thereby shortening the repayment period of the loan. A full or partial prepayment will decrease the total amount of the FINANCE CHARGE you have estimated, since interest is being calculated on the basis of the average daily outstanding principal balance. I understand that if I make a scheduled payment after it is due or if I make a scheduled payment prior to its due date, the total amount of the FINANCE CHARGE will increase or decrease accordingly since interest is being calculated on the basis of the average daily outstanding principal balance. I also understand that the “Total of Payments” disclosed is estimated since the total amount to be advanced to me or on my behalf is estimated and the FINANCE CHARGE is calculated on the basis of

the average daily outstanding principal balance, which will be affected by my repayment habits, and on the basis of an assumed amount to be advanced and assumed Disbursement Dates and assumed In-School Period. I also understand that failure to pay any monthly installment in full or other payment when it is due will be a default on my part as stated below, to the extent permitted by applicable law.

**Obligation to Prepay in Full or in Part from Refunds.** To the extent I receive a refund from the Institution of any amounts paid or refinanced with the proceeds of this Loan Agreement that are not needed for costs of attendance at the Institution, I agree to prepay this loan in full or in part with such refunded amounts.

**Default and Whole Loan Due.** To the extent permitted by applicable law, I will be in default and the whole unpaid principal balance, plus accrued but unpaid interest, if any, then outstanding may become due and payable at once at your option, if (a) payment of any amount required to be paid by me has not been received by you when due; or (b) I break any of my other promises under this Loan Agreement; or (c) any bankruptcy proceeding is begun by or against me or I assign any of my assets for the benefit of my creditors; or (d) I have made any false written statement, or omitted to state a fact necessary to make the written statements which I have made not misleading in applying for the loan evidenced by this Loan Agreement; or (e) I die (each such event, a "Default").

Upon the occurrence of any Default, the Holder reserves the right to seek payment from the Student Borrower and any Co-Borrower of all or any portion of any attorneys' fees, collection agency fees and/or expenses incurred by the Holder in connection with the collection of amounts due to the Holder upon such Default (such fees and expenses to be referred to hereinafter as "Collection Costs"), to the extent permitted by applicable law. If the Holder elects to seek payment of Collection Costs, the Holder or its collection agent will so state in a written notice to the Borrower and any Co-Borrower that describes the unpaid principal balance (including deferred interest described under "Interest and Deferral" above), accrued but unpaid interest and all other amounts due to the Holder under this Loan Agreement by reason of such Default (together, the "Default Obligation") and the Collection Costs to be assessed by reason of such Default. The Student Borrower and each Co-Borrower understand and agree that Collection Costs assessed to the Student Borrower and each Co-Borrower by the Holder are reasonable in light of the costs to be incurred by or on behalf of the Holder as a result of the applicable collection activities caused by a Default by the Student Borrower or any Co-Borrower, and are in addition to the unpaid principal balance and the interest accrued and unpaid pursuant to this Loan Agreement and any other amounts due under this Loan Agreement.

I hereby give my permission to any Holder, and any entity to which this Loan Agreement is referred for collection, to access my credit information from any credit reporting agency and to report my payment history to any credit reporting agency. I understand that the loan made under this Loan Agreement will appear as a debt on my credit reports provided by credit reporting agencies.

The Student Borrower and each Co-Borrower understand that if there is a payment delinquency or Default under this Loan Agreement, the Student Borrower and each Co-Borrower may receive written collection notices and/or telephone calls regarding the unpaid amount due. The Student Borrower and each Co-Borrower each hereby gives his or her consent to be contacted for such purpose, including contact by means of an automated dialing announcement device.

**Suspension or Modification.** You are not required to grant any request for a suspension or other modification of the obligation of the Student Borrower and each Co-Borrower to make payments. If any such request is granted, it shall be granted only upon such conditions as may be determined by you in your discretion.

**Impact of Agreement on Ability to Obtain Alternative Financing.** The Student Borrower and each Co-Borrower understand that the loan evidenced hereby may eliminate or reduce their ability to obtain other financial assistance for educational or other purposes.

**Change in Contact Information.** The Student Borrower and each Co-Borrower agree to notify the Authority, the Institution and the Holder in writing of any change of name, telephone number, address or email address. Failure by any of them to do so, or to respond in writing within a reasonable time to written inquiries by the Authority or the Holder or a representative or agent of either of them relating to payment of the amounts required under this Loan Agreement or observance or performance of any other term or condition of this Loan Agreement, shall constitute a default under this Loan Agreement, to the extent permitted by applicable law.

**Use of Automated Telephone Dialing Equipment, Emails and Text Messages.** By signing this Agreement, I hereby agree that in connection with this Loan Application or for servicing my account and/or collecting amounts I may owe you may contact me using automated telephone dialing equipment or an artificial/pre-recorded voice or text message at any telephone number I provide to you, including any cell phone number. In addition, I agree that you may monitor and record telephone calls regarding my account. I agree that you may contact me at any email address I supply you regarding the originations, servicing and collections of my loan. Additionally, you may text message me at any phone or email address I provide.

**Application of Loan Proceeds.** The proceeds of the loan evidenced by this Loan Agreement shall not be applied, directly or indirectly, for any purpose other than financing the Student Borrower's cost of attendance at a not for profit degree-granting institution. By signing this Loan Agreement, each of the Student Borrower and each Co-Borrower hereby certifies that the information supplied in the loan application for the loan made under this Loan Agreement concerning the Student Borrower's state of residence and the identity and location of the Institution at which the cost of attendance financed by the loan made under this Loan Agreement have been or are being incurred is true, correct and accurate, and acknowledges that the Authority is relying on such certification in determining the Student Borrower's eligibility for the loan made under this Loan Agreement.

**Acceptance of Delinquent Installments.** The acceptance of any delinquent installment(s) shall not operate to extend the time of payment of any amount(s) then remaining unpaid or constitute a waiver of any rights or remedies. No extension of time for the payment of any amount owing under this Loan Agreement at any time shall alter the liability of the Student Borrower or any Co-Borrower.

**Documentation and Assignment.** Presentment, demand, dishonor, protest and all other demands and notices in connection with the delivery, acceptance, performance or collection of this Loan Agreement are hereby waived. This Loan Agreement is a sealed instrument. This Loan Agreement may be transferred or assigned by the Holder without the consent of the Student Borrower or any Co-Borrower, but the obligations of the Student Borrower and any Co-Borrower may not be assigned by the Student Borrower or any Co-Borrower.

**Severability and Enforceability.** If any provision hereof is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other provisions of this Loan Agreement or of this Loan Agreement as a whole.

**Choice of Law.** The Authority is located in Massachusetts, and the Authority's decision on whether to lend me money will occur in Massachusetts. Consequently, the provisions of this Loan Agreement will be governed by the law of The Commonwealth of Massachusetts, without regard to conflict of law rules.

**Limits on Discharge of Debt in Bankruptcy.** I acknowledge that the Authority's loan program is funded by a governmental unit and that this Loan Agreement is, therefore, subject to the limits on dischargeability in bankruptcy contained in Section 523(a)(8) of the United States Bankruptcy Code. That means that the debt I am assuming is not dischargeable in bankruptcy unless the exemption from discharge would cause me and my dependents "undue hardship" as this phrase would be interpreted under applicable law.

**Change in Payment Dates.** I acknowledge that you may be required to change my payment days in connection with a change to a new loan servicer and that in such event, all references in this Loan Agreement to the 28th shall refer to such other day as is required. You agree to give me advance notice of any such change in days.

**Joint and Several Liability.** The Student Borrower and each Co-Borrower under this Loan Agreement is jointly and severally obligated on this Loan Agreement. This means that in the case of a default, the Holder may sue one or more of the Student Borrower and any Co-Borrower separately, or all of them together, at the Holder's option.

**Notices to Borrower.** Unless I am otherwise notified, the Authority or other Holder will send billing statements and other notices relating to this Agreement to the first Co-Borrower listed above (the "Notice Borrower"). Unless I am otherwise notified or otherwise required by applicable law, the borrower listed on the annual student loan interest statement (Form 1098-E or any successor thereto) filed by us with the Internal Revenue Service, and the recipient of the borrower copy of such statement, will be the Notice Borrower.

**Co-Borrower Liability.** The Student Borrower is obligated to repay the amounts owed under this Loan Agreement. Each Co-Borrower is obligated to repay the amounts owed under this Loan Agreement. The Authority or any other Holder is entitled to collect the amounts owed under this Loan Agreement from the Student Borrower without attempting to collect such amount from any Co-Borrower, and is entitled to collect the amounts owed under this Loan Agreement from any Co-Borrower without attempting to collect such amount from the Student Borrower or any other Borrower. The Student Borrower's and each Co-Borrower's obligations include the obligations to pay the principal and interest on the loan made under this Loan Agreement in the amounts and at the times specified herein, give notice of address and name changes, and pay collection costs to the extent permissible under the law. Neither the Authority nor any other Holder is required to send copies of any billing statements sent to the Notice Borrower to any other Borrower. If there is more than one Borrower, all parties agree that any communication between the Authority or any other Holder and any Borrower will be binding on all parties, and that all provisions of this Loan Agreement will apply to all Borrowers individually and collectively.

**[The Remainder of this Page is Left Intentionally Blank]**

I acknowledge that I have received, read and understand the provisions of this Loan Agreement, including those set forth on the front and back of all pages of this document. The applicable payment dates and other dates that are derived from the applicable payment dates may be changed to a date that matches my similar loans already in repayment with the loan servicer. My signature below both evidences such acknowledgement, including acknowledgement that the obligations of all persons signing this Loan Agreement are joint and several, and constitutes my signature on this Loan Agreement. I agree that any signature delivered by facsimile and by email will be deemed to be an original signature for all purposes, including for purposes of contract enforcement and rules of evidence in any judicial or arbitration proceeding.

**This paragraph applies to Loan Agreements signed electronically.** I understand that I am not required to sign electronically this Loan Agreement and any related notices that require signature. If I choose to sign electronically this Loan Agreement and any related notices that require signature, I intend: (i) my electronic signature to be an electronic signature under applicable federal and state law, (ii) any printout of your electronic record of this Loan Agreement and related notices to be an original document, (iii) to conduct business with you by electronic records and electronic signatures, and (iv) that this Loan Agreement will not be governed by Article 3 of the Uniform Commercial Code, and my obligations under this Loan Agreement will not be subject to, but any transfer of my obligations will be subject to, Article 9 of the Uniform Commercial Code.

**For Alabama Residents: CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

**For Iowa Residents: NOTICE TO CONSUMER:**

**[1] Do not sign this paper before you read it.**

**[2] You are entitled to a copy of this paper.**

**[3] You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.**

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**For Kansas Residents: NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.**

**For Maryland Residents: Lender elects to make this loan pursuant to Subtitle 10 (Credit Grantor Closed End Credit provisions) of Title 12 (Credit Regulations) of the Maryland Commercial Law, Md. Code Ann., Com. Law § 12-1001 *et seq.***

**For Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it. You may prepay the loan, in whole or in part, at any time. If interest has been added to the principal of the loan, the interest is subject to the refund requirements of Mo. Rev. Stat. § 408.170, if the loan is prepaid in full.**

**Loans to Missouri residents pursuant to the rate limitations of 408.030 are subject to the compounding and collection costs limitations pursuant to 408.080 and 408.092.**

**Loans to Missouri residents pursuant to 408.100 are subject to the fee limitations pursuant to 408.140.1 and interest shall not be capitalized or compounded. Acceleration of the note is subject to the notice requirements pursuant to 408.551 to 408.562.**

**For North Dakota Residents: NOTICE: MONEY BROKERS ARE LICENSED AND REGULATED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS, 2000 SCHAFFER STREET, SUITE G, BISMARCK, NORTH DAKOTA 58501-1204. THE DEPARTMENT OF**

**FINANCIAL INSTITUTIONS HAS NOT PASSED ON THE MERITS OF THE CONTRACT AND LICENSING DOES NOT CONSTITUTE AN APPROVAL OF THE TERMS OR OF THE BROKER'S ABILITY TO ARRANGE ANY LOAN. COMPLAINTS REGARDING THE SERVICES OF MONEY BROKERS SHOULD BE DIRECTED TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS.**

**For Oregon Residents: This loan is made subject to the Oregon Unlawful Trade Practices Acts, including but not limited to Oregon Revised Statutes (ORS) 646.633; 646.607; and 646.608.**

**For South Dakota Residents: Any improprieties in making this loan or in Massachusetts Educational Financing Authority's loan practices may be referred to the South Dakota Division of Banking at 1601 N. Harrison Avenue, Suite 1, Pierre, South Dakota 57501, phone number: (605) 773-3421.**

**Requests for a loan modification may be considered on a case-by-case basis. The timeframe for maturity of the loan may not be extended. To request a modification, or for more information, please call (800) 233-0557.**

**To request a refinance of this loan, please call (855) 433-7334. If we agree to refinance this loan, you will not incur any refinance-specific fees or charges.**

**For West Virginia Residents: "THIS CONTRACT IS NOT PAYABLE IN INSTALLMENTS OF EQUAL AMOUNTS. LARGER INSTALLMENTS WILL BE DUE AS FOLLOWS: Please see your Final Disclosure for estimated payment due dates and amounts."**

**For Wisconsin Residents: NOTICE TO CUSTOMER: (a) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. (b) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (c) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.**

**For Wisconsin Residents: For married Wisconsin residents, Borrower's signature confirms that this loan obligation is being incurred in the interest of Borrower's marriage or family. No provision of any marital property agreement (pre-marital agreement), unilateral statement under § 766.59 of the Wisconsin statutes or court decree under § 766.70 adversely affects Authority's interest unless, prior to the time that the loan is approved, Authority is furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. If this loan for which Borrower is applying is granted, Borrower will notify Authority if Borrower has a spouse who needs to receive notification that credit has been extended to Borrower.**

**DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT IN ITS ENTIRETY, INCLUDING THE NOTICES TO COSIGNER.**

\_\_\_\_\_  
Student Borrower:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower (Notice Borrower):

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower:

\_\_\_\_\_  
Date

## **NOTICES FOR COSIGNERS**

### **IOWA NOTICE TO COSIGNER:**

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

### **IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY**

Name of Debtor: The Notice Borrower

Name of Creditor: MEFA

Date: The date of disbursement

Kind of Debt: Education loan

Total of Payments: The total of payments will be disclosed in the Final Truth-in-Lending Disclosure you will receive prior to the loan disbursement, and it will include the principal loan amount (which will not be greater than the Loan Amount Requested) and accrued interest.

### **WEST VIRGINIA NOTICE TO COSIGNER:**

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay it if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, the fact may become a part of your credit record.



**MEFA GRADUATE  
INTEREST-ONLY PERIOD  
LOAN AGREEMENT**

**THIS LOAN AGREEMENT IS NOT A NEGOTIABLE INSTRUMENT**

In this Loan Agreement, the words, "I," "me" and "my" mean each and any of those who sign or co-sign it (each a "Borrower"). The Borrower whose costs of attendance are financed under this Loan Agreement is sometimes referred to as the "Student Borrower" and other Borrowers are sometimes referred to as "Co- Borrowers." Every signer of this Loan Agreement has an independent, as well as a joint, obligation to fulfill the terms of this Loan Agreement. "You," "your," "yours" and "Holder" mean and refer to the Massachusetts Educational Financing Authority (the "Authority") and any assignee of the Authority's rights under this Loan Agreement or other party entitled to enforce this Loan Agreement. The term "Institution" means the not for profit degree-granting institution at which the Student Borrower's cost of attendance are financed pursuant to this Loan Agreement. The terms FINANCE CHARGE, TOTAL OF PAYMENTS and AMOUNT FINANCED refer to the amounts disclosed on the Disclosure Statement and Itemization of Amount Financed that will be delivered to me prior to the disbursement of any funds. I understand that I am free to notify the Authority of my decision not to borrow money at any time prior to the later of (a) three (3) days after you send me the Final Disclosure Statement and Itemization of Amount Financed and (b) the actual disbursement of funds. I understand that each of the terms shown on such Disclosure Statement and Itemization of Amount Financed are estimates.

**Advances.** I understand that I will be notified of the total amount of money that you will advance to me or pay on my behalf, and the dates when such money will be advanced. I further understand that I may cancel the request for additional advances at any time. Notwithstanding any such notification, I understand that you may not advance any further amounts if a "Default" hereunder shall have occurred and exists, or if the Student Borrower is no longer at least a half-time student at the Institution or is not maintaining satisfactory academic progress as defined by the Institution. In no event shall the amount advanced exceed the amount certified by the Institution, which amount shall not exceed the cost of attendance at the Institution for the period financed by this Loan Agreement less financial aid for the applicable period.

**Important/Read This Information Carefully.** Your receipt of this signed Loan Agreement does not obligate you to lend me money. If you decide to make a loan to me, you will mail a loan check or electronically transfer the loan funds to the Institution. I understand that you have the right not to make a loan to me. If you do not make a loan to me, I will have no obligation to you under this Loan Agreement, and this Loan Agreement will be unenforceable. If you do make a loan to me, as evidenced by your mailing a loan check or electronically transferring the loan funds to the Institution, then all the terms of this Loan Agreement apply to me and to you and, upon such mailing or transfer, this Loan Agreement will constitute a binding agreement of each party.

**Acceptance of the Loan.** I acknowledge receipt from you of the Approval Disclosure relating to the loan made under this Loan Agreement and accept the loan.

**Promise to Pay.** I promise to pay to you \_\_\_\_\_ (or such lesser amount as is advanced to me or paid on my behalf) (the "Principal Amount") plus interest from the Disbursement Date (defined below) on the unpaid Principal Amount (calculated as set forth in the "Estimated Credit Terms-Right to Prepay in Full or in Part" section below) at the rate of \_\_\_\_\_ per annum. Interest on my loan will begin accruing on the Initial Disbursement Date. Any interest that accrues between the Initial Disbursement Date and the Final Disbursement Date (defined below) shall be added to the Principal Amount of the loan as of the Final Disbursement Date. I will make payments in \_\_\_\_\_ consecutive monthly installments in U.S. dollars. The amount of my monthly payment during the In-School Period will be an amount equal to interest accrued on the Principal Amount as of the Final Disbursement Date of the loan (including interest added to the Principal Amount as of the Final Disbursement Date) during the period of approximately one month preceding the due date of each installment. If I prepay part of the loan during the In-School Period, the amount of my monthly payment during the remainder of the In-School Period will not change, but the portion of the monthly payment in excess of the interest accrued on the remaining Principal Amount of the loan will be treated as a prepayment as described under "Estimated Credit Terms-Right to Prepay in Full or in Part" below. If I do not make a monthly interest payment when due, I will be in default on the loan, to the extent permitted by applicable law. Beginning on the Amortization Commencement Date (defined below), the amount of my monthly payment will be equal to the amount that would be sufficient to repay in full

by the Maturity Date (defined below), in substantially equal monthly payments, the Principal Amount (taking into account prepayments applied to the Principal Amount prior to calculation of such equal monthly payment) prior to the Amortization Commencement Date and interest thereon. The minimum monthly payment on the loan after the In-School Period shall be \_\_\_\_\_, to the extent permitted by applicable law. My installments will be due on the 28th day of every month starting on the First Installment Date. In any event, I will pay the amounts due under this Loan Agreement in full on or before the Maturity Date. Unless otherwise instructed by you, I will make each installment payable to the Holder and will send it to American Education Services, P.O. Box 65093, Baltimore, Maryland 21264-5093 in time to be received on or before its due date. I understand that I, and not you, will be responsible for errors or delays of the postal system, to the extent permitted by applicable law. You will apply each payment in the following order of priority: fees for checks uncollectible because of insufficient funds or otherwise, collection costs, if applicable, interest due or unpaid for the assessment period, principal due but unpaid, and principal not yet due, to the extent permitted by applicable law. Within each priority, payments received will be applied to amounts in the order in which they first became due or payable. During the In-School Period, if I make a monthly interest payment prior to the applicable installment date a portion of that payment may be applied to principal and thereby reduce the Principal Amount of the loan. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Definitions.** “DISBURSEMENT DATE” means each date on which you lend money to me in consideration of the delivery of this Loan Agreement and in each case will be the date of the loan check or the date the loan funds are electronically transferred by the Authority to the Institution. “IN-SCHOOL PERIOD” means the period beginning on the Initial Disbursement Date of any advance made under this Loan Agreement and ending on the following date: (i) for disbursements relating to the Student Borrower’s first year of enrollment at the Institution, the first day of the month following the month in which the 3-year anniversary of the Final Disbursement Date (defined below) occurs; (ii) for disbursements relating to the Student Borrower’s second year of enrollment at the Institution, the first day of the month following the month in which the 2-year anniversary of the Final Disbursement Date occurs; or (iii) for disbursements relating to the Student Borrower’s third year of enrollment at the Institution, the first day of the month following the month in which the 1-year anniversary of the Final Disbursement Date occurs. “MATURITY DATE” means the date that is the 28th day of the \_\_\_\_\_ month following the Final Disbursement Date. “FIRST INSTALLMENT DATE” means the date the first monthly installment of interest is due. The First Installment Date will be on the 28th day of the month following the month in which the Final Disbursement Date occurs. “AMORTIZATION COMMENCEMENT DATE” means the date the first monthly installment of principal and interest is due. The Amortization Commencement Date will be the 28th day of the month in which the In-School Period ends. “FINAL DISBURSEMENT DATE” means the earliest of (i) the date when the total of all amounts authorized to be advanced hereunder has been advanced, (ii) the date when you determine that no additional advances will be made (in the circumstances described under “Advances”) or (iii) the date when I notify you that I do not want any additional advances.

**Estimated Credit Terms-Right to Prepay in Full or in Part.** I have agreed to repay this loan according to the schedule set forth above. Interest will be assessed on the basis of the average daily outstanding principal balance during the applicable assessment period. Interest will be computed on the basis of a 365 or 366-day calendar year, unless a different method of calculating interest is required by applicable law. I may prepay the unpaid principal balance in full at any time without penalty. If I do so the entire unearned FINANCE CHARGE will be canceled. I will not receive any refund of the earned portion of the FINANCE CHARGE; provided, however, that no FINANCE CHARGE will thus be imposed which is in excess of applicable law. I also may prepay part of the loan at any time without penalty. If I prepay part of the loan I will still be required to make monthly payments in the amounts set forth above, but the number of such monthly payments will be reduced, thereby shortening the repayment period of the loan. A full or partial prepayment will decrease the total amount of the FINANCE CHARGE you have estimated, since interest is being calculated on the basis of the average daily outstanding principal balance. I understand that if I make a scheduled payment after it is due or if I make a scheduled payment prior to its due date, the total amount of the FINANCE CHARGE will increase or decrease accordingly since interest is being calculated on the basis of the average daily outstanding principal balance. I also understand that the “Total of Payments” disclosed is estimated since the total amount to be advanced to me or on my behalf is estimated and the FINANCE CHARGE is calculated on the basis of the average daily outstanding principal balance, which will be affected by my repayment habits, and on the basis of an assumed amount to be advanced and assumed Disbursement Dates and assumed In-School Period. I also understand that failure to pay any monthly

installment in full or other payment when it is due will be a default on my part as stated below, to the extent permitted by applicable law.

**Obligation to Prepay in Full or in Part from Refunds.** To the extent I receive a refund from the Institution of any amounts paid or refinanced with the proceeds of this Loan Agreement that are not needed for costs of attendance at the Institution, I agree to prepay this loan in full or in part with such refunded amounts.

**Default and Whole Loan Due.** To the extent permitted by applicable law, I will be in default and the whole unpaid principal balance, plus accrued but unpaid interest, if any, then outstanding may become due and payable at once at your option, if (a) payment of any amount required to be paid by me has not been received by you when due; or (b) I break any of my other promises under this Loan Agreement; or (c) any bankruptcy proceeding is begun by or against me or I assign any of my assets for the benefit of my creditors; or (d) I have made any false written statement, or omitted to state a fact necessary to make the written statements which I have made not misleading in applying for the loan evidenced by this Loan Agreement; or (e) I die (each such event, a "Default").

Upon the occurrence of any Default, the Holder reserves the right to seek payment from the Student Borrower and any Co-Borrower of all or any portion of any attorneys' fees, collection agency fees and/or expenses incurred by the Holder in connection with the collection of amounts due to the Holder upon such Default (such fees and expenses to be referred to hereinafter as "Collection Costs"), to the extent permitted by applicable law. If the Holder elects to seek payment of Collection Costs, the Holder or its collection agent will so state in a written notice to the Borrower and any Co-Borrower that describes the unpaid principal balance (including deferred interest described under "Interest and Deferral" above), accrued but unpaid interest and all other amounts due to the Holder under this Loan Agreement by reason of such Default (together, the "Default Obligation") and the Collection Costs to be assessed by reason of such Default. The Student Borrower and each Co-Borrower understand and agree that Collection Costs assessed to the Student Borrower and each co-Borrower by the Holder are reasonable in light of the costs to be incurred by or on behalf of the Holder as a result of the applicable collection activities caused by a Default by the Student Borrower or any Co-Borrower, and are in addition to the unpaid principal balance and the interest accrued and unpaid pursuant to this Loan Agreement and any other amounts due under this Loan Agreement.

I hereby give my permission to any Holder, and any entity to which this Loan Agreement is referred for collection, to access my credit information from any credit reporting agency and to report my payment history to any credit reporting agency. I understand that the loan made under this Loan Agreement will appear as a debt on my credit reports provided by credit reporting agencies.

The Student Borrower and each Co-Borrower understand that if there is a payment delinquency or Default under this Loan Agreement, the Student Borrower and each Co-Borrower may receive written collection notices and/or telephone calls regarding the unpaid amount due. The Student Borrower and each Co-Borrower each hereby gives his or her consent to be contacted for such purpose, including contact by means of an automated dialing announcement device.

**Suspension or Modification.** You are not required to grant any request for a suspension or other modification of the obligation of the Student Borrower and each Co-Borrower to make payments. If any such request is granted, it shall be granted only upon such conditions as may be determined by you in your discretion.

**Impact of Agreement on Ability to Obtain Alternative Financing.** The Student Borrower and each Co-Borrower understand that the loan evidenced hereby may eliminate or reduce their ability to obtain other financial assistance for educational or other purposes

**Change in Contact Information.** The Student Borrower and each Co-Borrower agree to notify the Authority, the Institution and the Holder in writing of any change of name, telephone number, address or email address. Failure by any of them to do so, or to respond in writing within a reasonable time to written inquiries by the Authority or the Holder or a representative or agent of either of them relating to payment of the amounts required under this Loan Agreement or observance or performance of any other term or condition of this Loan Agreement, shall constitute a default under this Loan Agreement, to the extent permitted by applicable law.

**Use of Automated Telephone Dialing Equipment, Emails and Text Messages.** By signing this Agreement,

I hereby agree that in connection with this Loan Application or for servicing my account and/or collecting amounts I may owe you may contact me using automated telephone dialing equipment or an artificial/pre-recorded voice or text message at any telephone number I provide to you, including any cell phone number. In addition, I agree that you may monitor and record telephone calls regarding my account. I agree that you may contact me at any email address I supply you regarding the originations, servicing and collections of my loan. Additionally, you may text message me at any phone or email address I provide.

**Application of Loan Proceeds.** The proceeds of the loan evidenced by this Loan Agreement shall not be applied, directly or indirectly, for any purpose other than financing the Student Borrower's cost of attendance at a not for profit degree-granting institution. By signing this Loan Agreement, each of the Student Borrower and each Co-Borrower hereby certifies that the information supplied in the loan application for the loan made under this Loan Agreement concerning the Student Borrower's state of residence and the identity and location of the Institution at which the cost of attendance financed by the loan made under this Loan Agreement have been or are being incurred is true, correct and accurate, and acknowledges that the Authority is relying on such certification in determining the Student Borrower's eligibility for the loan made under this Loan Agreement.

**Acceptance of Delinquent Installments.** The acceptance of any delinquent installment(s) shall not operate to extend the time of payment of any amount(s) then remaining unpaid or constitute a waiver of any rights or remedies. No extension of time for the payment of any amount owing under this Loan Agreement at any time shall alter the liability of the Student Borrower or any Co-Borrower.

**Documentation and Assignment.** Presentment, demand, dishonor, protest and all other demands and notices in connection with the delivery, acceptance, performance or collection of this Loan Agreement are hereby waived. This Loan Agreement is a sealed instrument. This Loan Agreement may be transferred or assigned by the Holder without the consent of the Student Borrower or any Co-Borrower, but the obligations of the Student Borrower and any Co-Borrower may not be assigned by the Student Borrower or any Co-Borrower.

**Severability and Enforceability.** If any provision hereof is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other provisions of this Loan Agreement or of this Loan Agreement as a whole.

**Choice of Law.** The Authority is located in Massachusetts, and the Authority's decision on whether to lend me money will occur in Massachusetts. Consequently, the provisions of this Loan Agreement will be governed by the law of The Commonwealth of Massachusetts, without regard to conflict of law rules.

**Limits on Discharge of Debt in Bankruptcy.** I acknowledge that the Authority's loan program is funded by a governmental unit and that this Loan Agreement is, therefore, subject to the limits on dischargeability in bankruptcy contained in Section 523(a)(8) of the United States Bankruptcy Code. That means that the debt I am assuming is not dischargeable in bankruptcy unless the exemption from discharge would cause me and my dependents "undue hardship" as this phrase would be interpreted under applicable law.

**Change in Payment Dates.** I acknowledge that you may be required to change my payment days in connection with a change to a new loan servicer and that in such event, all references in this Loan Agreement to the 28th shall refer to such other day as is required. You agree to give me advance notice of any such change in days.

**Joint and Several Liability.** The Student Borrower and each Co-Borrower under this Loan Agreement is jointly and severally obligated on this Loan Agreement. This means that in the case of a default, the Holder may sue one or more of the Student Borrower and any Co-Borrower separately, or all of them together, at the Holder's option.

**Notices to Borrower.** Unless I am otherwise notified, the Authority or other Holder will send billing statements and other notices relating to this Agreement to the Student Borrower listed above (the "Notice Borrower"). Unless I am otherwise notified or otherwise required by applicable law, the borrower listed on the annual student loan interest statement (Form 1098-E or any successor thereto) filed by us with the Internal Revenue Service, and the recipient of the borrower copy of such statement, will be the Notice Borrower.

**Co-Borrower Liability.** The Student Borrower is obligated to repay the amounts owed under this Loan Agreement.

Each Co-Borrower is obligated to repay the amounts owed under this Loan Agreement. The Authority or any other Holder is entitled to collect the amounts owed under this Loan Agreement from the Student Borrower without attempting to collect such amount from any Co-Borrower, and is entitled to collect the amounts owed under this Loan Agreement from any Co-Borrower without attempting to collect such amount from the Student Borrower or any other Borrower. The Student Borrower's and each Co-Borrower's obligations include the obligations to pay the principal and interest on the loan made under this Loan Agreement in the amounts and at the times specified herein, give notice of address and name changes, and pay collection costs to the extent permissible under the law. Neither the Authority nor any other Holder is required to send copies of any billing statements sent to the Notice Borrower to any other Borrower. If there is more than one Borrower, all parties agree that any communication between the Authority or any other Holder and any Borrower will be binding on all parties, and that all provisions of this Loan Agreement will apply to all Borrowers individually and collectively.

**[The Remainder of this Page is Left Intentionally Blank]**

I acknowledge that I have received, read and understand the provisions of this Loan Agreement, including those set forth on the front and back of all pages of this document. The applicable payment dates and other dates that are derived from the applicable payment dates may be changed to a date that matches my similar loans already in repayment with the loan servicer. My signature below both evidences such acknowledgement, including acknowledgement that the obligations of all persons signing this Loan Agreement are joint and several, and constitutes my signature on this Loan Agreement. I agree that any signature delivered by facsimile and by email will be deemed to be an original signature for all purposes, including for purposes of contract enforcement and rules of evidence in any judicial or arbitration proceeding.

**This paragraph applies to Loan Agreements signed electronically.** I understand that I am not required to sign electronically this Loan Agreement and any related notices that require signature. If I choose to sign electronically this Loan Agreement and any related notices that require signature, I intend: (i) my electronic signature to be an electronic signature under applicable federal and state law, (ii) any printout of your electronic record of this Loan Agreement and related notices to be an original document, (iii) to conduct business with you by electronic records and electronic signatures, and (iv) that this Loan Agreement will not be governed by Article 3 of the Uniform Commercial Code, and my obligations under this Loan Agreement will not be subject to, but any transfer of my obligations will be subject to, Article 9 of the Uniform Commercial Code.

**For Alabama Residents: CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

**For Iowa Residents: NOTICE TO CONSUMER:**

[1] Do not sign this paper before you read it.

[2] You are entitled to a copy of this paper.

[3] You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**For Kansas Residents: NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.**

**For Maryland Residents: Lender elects to make this loan pursuant to Subtitle 10 (Credit Grantor Closed End Credit provisions) of Title 12 (Credit Regulations) of the Maryland Commercial Law, Md. Code Ann., Com. Law § 12-1001 *et seq.***

**For Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it. You may prepay the loan, in whole or in part, at any time. If interest has been added to the principal of the loan, the interest is subject to the refund requirements of Mo. Rev. Stat. § 408.170, if the loan is prepaid in full.**

**Loans to Missouri residents pursuant to the rate limitations of 408.030 are subject to the compounding and collection costs limitations pursuant to 408.080 and 408.092.**

**Loans to Missouri residents pursuant to 408.100 are subject to the fee limitations pursuant to 408.140.1 and interest shall not be capitalized or compounded. Acceleration of the note is subject to the notice requirements pursuant to 408.551 to 408.562.**

**For North Dakota Residents: NOTICE: MONEY BROKERS ARE LICENSED AND REGULATED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS, 2000 SCHAFFER STREET, SUITE G, BISMARCK, NORTH DAKOTA 58501-1204. THE DEPARTMENT OF FINANCIAL INSTITUTIONS HAS NOT PASSED ON THE MERITS OF THE CONTRACT AND LICENSING DOES NOT CONSTITUTE AN APPROVAL OF THE TERMS OR OF THE BROKER'S ABILITY TO ARRANGE ANY LOAN. COMPLAINTS REGARDING THE SERVICES OF MONEY BROKERS SHOULD BE DIRECTED TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS.**

**For Oregon Residents: This loan is made subject to the Oregon Unlawful Trade Practices Acts, including but not limited to Oregon Revised Statutes (ORS) 646.633; 646.607; and 646.608.**

**For South Dakota Residents: Any improprieties in making this loan or in Massachusetts Educational Financing Authority's loan practices may be referred to the South Dakota Division of Banking at 1601 N. Harrison Avenue, Suite 1, Pierre, South Dakota 57501, phone number: (605) 773-3421.**

**Requests for a loan modification may be considered on a case-by-case basis. The timeframe for maturity of the loan may not be extended. To request a modification, or for more information, please call (800) 233-0557.**

**To request a refinance of this loan, please call (855) 433-7334. If we agree to refinance this loan, you will not incur any refinance-specific fees or charges.**

**For West Virginia Residents: "THIS CONTRACT IS NOT PAYABLE IN INSTALLMENTS OF EQUAL AMOUNTS. LARGER INSTALLMENTS WILL BE DUE AS FOLLOWS: Please see your Final Disclosure for estimated payment due dates and amounts."**

**For Wisconsin Residents: NOTICE TO CUSTOMER: (a) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. (b) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (c) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.**

**For Wisconsin Residents: For married Wisconsin residents, Borrower's signature confirms that this loan obligation is being incurred in the interest of Borrower's marriage or family. No provision of any marital property agreement (pre-marital agreement), unilateral statement under § 766.59 of the Wisconsin statutes or court decree under § 766.70 adversely affects Authority's interest unless, prior to the time that the loan is approved, Authority is furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. If this loan for which Borrower is applying is granted, Borrower will notify Authority if Borrower has a spouse who needs to receive notification that credit has been extended to Borrower.**

**DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT IN ITS ENTIRETY, INCLUDING THE NOTICES TO COSIGNER.**

\_\_\_\_\_  
Student Borrower (Notice Borrower):

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Co-Borrower:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Co-Borrower:

\_\_\_\_\_  
Date:

## **NOTICES FOR COSIGNERS**

### **IOWA NOTICE TO COSIGNER:**

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

### **IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY**

Name of Debtor: The Notice Borrower

Name of Creditor: MEFA

Date: The date of disbursement

Kind of Debt: Education loan

Total of Payments: The total of payments will be disclosed in the Final Truth-in-Lending Disclosure you will receive prior to the loan disbursement, and it will include the principal loan amount (which will not be greater than the Loan Amount Requested) and accrued interest.

### **WEST VIRGINIA NOTICE TO COSIGNER:**

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay it if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, the fact may become a part of your credit record.



**MEFA DEFERRED UNDERGRADUATE LOAN  
LOAN AGREEMENT (with Co-Borrower  
Release Provisions)**

**THIS LOAN AGREEMENT IS NOT A NEGOTIABLE INSTRUMENT**

In this Loan Agreement, the words, "I," "me" and "my" mean each and any of those who sign or co-sign it (each a "Borrower"). The Borrower whose costs of attendance are financed under this Loan Agreement is sometimes referred to as the "Student Borrower" and other Borrowers are sometimes referred to as "Co-Borrowers." Every signer of this Loan Agreement has an independent, as well as a joint, obligation to fulfill the terms of this Loan Agreement. "You," "your," "yours" and "Holder" mean and refer to the Massachusetts Educational Financing Authority (the "Authority") and any assignee of the Authority's rights under this Loan Agreement or other party entitled to enforce this Loan Agreement. The term "Institution" means the not for profit degree-granting institution at which the Student Borrower's cost of attendance are financed pursuant to this Loan Agreement. The terms FINANCE CHARGE, TOTAL OF PAYMENTS and AMOUNT FINANCED refer to the amounts disclosed on the Disclosure Statement and Itemization of Amount Financed that will be delivered to me prior to the disbursement of any funds. I understand that I am free to notify the Authority of my decision not to borrow money at any time prior to the later of (a) three (3) days after you send me the Final Disclosure Statement and Itemization of Amount Financed and (b) the actual disbursement of funds. I understand that each of the terms shown on such Disclosure Statement and Itemization of Amount Financed are estimates.

**Advances.** I understand that I will be notified of the total amount of money that you will advance to me or pay on my behalf, and the dates when such money will be advanced. I further understand that I may cancel the request for additional advances at any time. Notwithstanding any such notification, I understand that you may not advance any further amounts if a "Default" hereunder shall have occurred and exists, or if the Student Borrower is no longer at least a half-time student at the Institution or is not maintaining satisfactory academic progress as defined by the Institution. In no event shall the amount advanced exceed the amount certified by the Institution, which amount shall not exceed the cost of attendance at the Institution for the period financed by this Loan Agreement less financial aid for the applicable period.

**Important/Read This Information Carefully.** Your receipt of this signed Loan Agreement does not obligate you to lend me money. If you decide to make a loan to me, you will mail a loan check or electronically transfer the loan funds to the Institution. I understand that you have the right not to make a loan to me. If you do not make a loan to me, I will have no obligation to you under this Loan Agreement, and this Loan Agreement will be unenforceable. If you do make a loan to me, as evidenced by your mailing a loan check or electronically transferring the loan funds to the Institution, then all the terms of this Loan Agreement apply to me and to you and, upon such mailing or transfer, this Loan Agreement will constitute a binding agreement of each party.

**Acceptance of the Loan.** I acknowledge receipt from you of the Approval Disclosure relating to the loan made under this Loan Agreement and accept the loan.

**Promise to Pay.** I promise to pay to you \_\_\_\_\_ (or such lesser amount as is advanced to me or paid on my behalf) (the "Principal Amount") plus deferred interest added to the Principal Amount of this Loan Agreement pursuant to the "Interest and Deferral" section. I also promise to pay interest on the unpaid principal balance of this Loan Agreement (calculated as set forth in the "Estimated Credit Terms-Right to Prepay in Full or in Part" section below) at the rate of \_\_\_\_\_ per annum. The unpaid principal balance of this Loan Agreement shall be said Principal Amount, plus any deferred interest added thereto pursuant to the "Interest and Deferral" section below, minus any amount applied to principal due but unpaid pursuant to the "Repayment" subsection (a) below. The minimum monthly payment on the loan shall be \_\_\_\_\_, to the extent permitted by applicable law. If I do not make a monthly payment when due, I will be in default on the loan, to the extent permitted by applicable law. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Interest and Deferral.** Provided that the Student Borrower maintains at least half time status at the Institution and is maintaining satisfactory academic progress as defined by the Institution, required payments of principal and interest will be deferred until the earlier of the 28th day of the month that is (i) six months after the student's expected graduation date at the time the Final Disclosure for this Loan Agreement is provided (the end of such deferral period being the date set forth in the Final Disclosure) or (ii) six months after the 28<sup>th</sup> day of the month in

which you determine that the student no longer maintains at least half time status at the Institution (other than as a result of graduation) or is no longer maintaining satisfactory academic progress as defined by the Institution (the "REPAYMENT COMMENCEMENT DATE"). The Repayment Commencement Date may be changed in MEFA's sole discretion based on changes in the Student Borrower's expected graduation date after the Loan Agreement is executed, provided that in any event the Repayment Commencement Date shall be no later than the 28<sup>th</sup> day of the 60th month following the Final Disbursement Date (defined below), and that no change in the Repayment Commencement Date shall be binding on the Authority unless the Borrower shall have received written acknowledgment of such change from the Authority. Interest on the unpaid principal balance of this Loan Agreement will, however, accrue from each applicable Disbursement Date (defined below) until I begin repayment. Payments of interest accruing before the Repayment Commencement Date will be deferred until the Repayment Commencement Date. Any such accrued but unpaid interest will be added to the unpaid principal balance of this Loan Agreement on the Repayment Commencement Date.

**Definitions.** "DISBURSEMENT DATE" means each date on which you lend money to me in consideration of the delivery of this Loan Agreement and in each case will be the date of the loan check or the date the loan funds are electronically transferred by the Authority to the Institution. "MATURITY DATE" means the date that is the first 28th day of the month following the Final Disbursement Date. "FIRST INSTALLMENT DATE" means the date the first monthly installment is due. The first installment date will be on the Repayment Commencement Date (defined above). "FINAL DISBURSEMENT DATE" means the earliest of (i) the date when the total of all amounts authorized to be advanced hereunder has been advanced, (ii) the date when you determine that no additional advances will be made (in the circumstances described under "Advances") or (iii) the date when I notify you that I do not want any additional advances.

**Repayment.** (a) COMMENCEMENT OF REPAYMENT. I will repay this Loan Agreement beginning on the Repayment Commencement Date in consecutive monthly installments in U.S. dollars until the Maturity Date (defined above). The amount of my monthly payment will be equal to the amount that would be sufficient to repay in full by the Maturity Date, in substantially equal monthly payments, the unpaid principal balance (including the deferred interest of this Loan Agreement) as of the Repayment Commencement Date plus interest thereon at the stated interest rate. My installments will be due on the 28th day of every month starting on the Repayment Commencement Date. In any event, I will pay the amounts due under this Loan Agreement in full on or before the Maturity Date. Unless otherwise instructed by you, I will make each installment payable to the Holder and will send it to American Education Services, P.O. Box 65093, Baltimore, Maryland 21264-5093 in time to be received on or before its due date. I understand that I, and not you, will be responsible for errors or delays of the postal system, to the extent permitted by applicable law. You will apply each payment in the following order of priority: fees for checks uncollectible because of insufficient funds or otherwise, collection costs described under "Terms and Conditions" below, if applicable, interest due or unpaid for the assessment period, principal (including deferred interest added to principal pursuant to the "Interest and Deferral" section above) due but unpaid, and principal not yet due, to the extent permitted by applicable law. Within each priority, payments received will be applied to amounts in the order in which they first became due or payable. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Estimated Credit Terms-Right to Prepay in Full or in Part.** I have agreed to repay this loan according to the schedule set forth above. Interest will be assessed on the basis of the average daily outstanding principal balance during the applicable assessment period. Interest will be computed on the basis of a 365 or 366-day calendar year, unless a different method of calculating interest is required by applicable law. I may prepay the unpaid principal balance in full at any time without penalty. If I do so the entire unearned FINANCE CHARGE will be canceled. I will not receive any refund of the earned portion of the FINANCE CHARGE; provided, however, that no FINANCE CHARGE will thus be imposed which is in excess of applicable law. I also may prepay part of the loan at any time without penalty. If I prepay part of the loan I will still be required to make monthly payments in the amounts set forth above, but the number of such monthly payments will be reduced, thereby shortening the repayment period of the loan. A full or partial prepayment will decrease the total amount of the FINANCE CHARGE you have estimated, since interest is being calculated on the basis of the average daily outstanding principal balance. I understand that if I make a scheduled payment after it is due or if I make a scheduled payment prior to its due date, the total amount of the FINANCE CHARGE will increase or decrease accordingly since interest is being calculated on the basis of the average daily outstanding principal balance. I also understand that the "Total of Payments" disclosed is estimated since the total amount to be advanced to me or on my behalf is estimated and the FINANCE CHARGE is calculated on the basis of the average daily

outstanding principal balance, which will be affected by my repayment habits, and on the basis of an assumed amount to be advanced and assumed Disbursement Dates. I also understand that failure to pay any monthly installment in full or other payment when it is due will be a default on my part as stated below, to the extent permitted by applicable law.

**Obligation to Prepay in Full or in Part from Refunds.** To the extent I receive a refund from the Institution of any amounts paid or refinanced with the proceeds of this Loan Agreement that are not needed for costs of attendance at the Institution, I agree to prepay this loan in full or in part with such refunded amounts.

**Default and Whole Loan Due.** To the extent permitted by applicable law, I will be in default and the whole unpaid principal balance, plus accrued but unpaid interest, if any, then outstanding may become due and payable at once at your option, if (a) payment of any amount required to be paid by me has not been received by you when due; or (b) I break any of my other promises under this Loan Agreement; or (c) any bankruptcy proceeding is begun by or against me or I assign any of my assets for the benefit of my creditors; or (d) I have made any false written statement, or omitted to state a fact necessary to make the written statements which I have made not misleading in applying for the loan evidenced by this Loan Agreement; or (e) I die (each such event, a "Default").

Upon the occurrence of any Default, the Holder reserves the right to seek payment from the Student Borrower and any Co-Borrower of all or any portion of any attorneys' fees, collection agency fees and/or expenses incurred by the Holder in connection with the collection of amounts due to the Holder upon such Default (such fees and expenses to be referred to hereinafter as "Collection Costs"), to the extent permitted by applicable law. If the Holder elects to seek payment of Collection Costs, the Holder or its collection agent will so state in a written notice to the Borrower and any Co-Borrower that describes the unpaid principal balance (including deferred interest described under "Interest and Deferral" above), accrued but unpaid interest and all other amounts due to the Holder under this Loan Agreement by reason of such Default (together, the "Default Obligation") and the Collection Costs to be assessed by reason of such Default. The Student Borrower and each Co-Borrower understand and agree that Collection Costs assessed to the Student Borrower and each co-Borrower by the Holder are reasonable in light of the costs to be incurred by or on behalf of the Holder as a result of the applicable collection activities caused by a Default by the Student Borrower or any Co-Borrower, and are in addition to the unpaid principal balance and the interest accrued and unpaid pursuant to this Loan Agreement and any other amounts due under this Loan Agreement.

I hereby give my permission to any Holder, and any entity to which this Loan Agreement is referred for collection, to access my credit information from any credit reporting agency and to report my payment history to any credit reporting agency. I understand that the loan made under this Loan Agreement will appear as a debt on my credit reports provided by credit reporting agencies.

The Student Borrower and each Co-Borrower understand that if there is a payment delinquency or Default under this Loan Agreement, the Student Borrower and each Co-Borrower may receive written collection notices and/or telephone calls regarding the unpaid amount due. The Student Borrower and each Co-Borrower each hereby gives his or her consent to be contacted for such purpose, including contact by means of an automated dialing announcement device.

**Suspension or Modification.** You are not required to grant any request for a suspension or other modification of the obligation of the Student Borrower and each Co-Borrower to make payments. If any such request is granted, it shall be granted only upon such conditions as may be determined by you in your discretion.

**Impact of Agreement on Ability to Obtain Alternative Financing.** The Student Borrower and each Co-Borrower understand that the loan evidenced hereby may eliminate or reduce their ability to obtain other financial assistance for educational or other purposes.

**Change in Contact Information.** The Student Borrower and each Co-Borrower agree to notify the Authority, the Institution and the Holder in writing of any change of name, telephone number, address or email address. Failure by any of them to do so, or to respond in writing within a reasonable time to written inquiries by the Authority or the Holder or a representative or agent of either of them relating to payment of the amounts required under this Loan Agreement or observance or performance of any other term or condition of this Loan Agreement, shall constitute a default under this Loan Agreement, to the extent permitted by applicable law.

**Use of Automated Telephone Dialing Equipment, Emails and Text Messages.** By signing this Agreement, I hereby agree that in connection with this Loan Application or for servicing my account and/or collecting amounts I may owe you may contact me using automated telephone dialing equipment or an artificial/pre-recorded voice or text message at any telephone number I provide to you, including any cell phone number. In addition, I agree that you may monitor and record telephone calls regarding my account. I agree that you may contact me at any email address I supply you regarding the originations, servicing and collections of my loan. Additionally, you may text message me at any phone or email address I provide.

**Application of Loan Proceeds.** The proceeds of the loan evidenced by this Loan Agreement shall not be applied, directly or indirectly, for any purpose other than financing the Student Borrower's cost of attendance at a not for profit degree-granting institution. By signing this Loan Agreement, each of the Student Borrower and each Co-Borrower hereby certifies that the information supplied in the loan application for the loan made under this Loan Agreement concerning the Student Borrower's state of residence and the identity and location of the Institution at which the cost of attendance financed by the loan made under this Loan Agreement have been or are being incurred is true, correct and accurate, and acknowledges that the Authority is relying on such certification in determining the Student Borrower's eligibility for the loan made under this Loan Agreement.

**Acceptance of Delinquent Installments.** The acceptance of any delinquent installment(s) shall not operate to extend the time of payment of any amount(s) then remaining unpaid or constitute a waiver of any rights or remedies. No extension of time for the payment of any amount owing under this Loan Agreement at any time shall alter the liability of the Student Borrower or any Co-Borrower.

**Documentation and Assignment.** Presentment, demand, dishonor, protest and all other demands and notices in connection with the delivery, acceptance, performance or collection of this Loan Agreement are hereby waived. This Loan Agreement is a sealed instrument. This Loan Agreement may be transferred or assigned by the Holder without the consent of the Student Borrower or any Co-Borrower, but the obligations of the Student Borrower and any Co-Borrower may not be assigned by the Student Borrower or any Co-Borrower.

**Severability and Enforceability.** If any provision hereof is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other provisions of this Loan Agreement or of this Loan Agreement as a whole.

**Choice of Law.** The Authority is located in Massachusetts, and the Authority's decision on whether to lend me money will occur in Massachusetts. Consequently, the provisions of this Loan Agreement will be governed by the law of The Commonwealth of Massachusetts, without regard to conflict of law rules.

**Limits on Discharge of Debt in Bankruptcy.** I acknowledge that the Authority's loan program is funded by a governmental unit and that this Loan Agreement is, therefore, subject to the limits on dischargeability in bankruptcy contained in Section 523(a)(8) of the United States Bankruptcy Code. That means that the debt I am assuming is not dischargeable in bankruptcy unless the exemption from discharge would cause me and my dependents "undue hardship" as this phrase would be interpreted under applicable law.

**Change in Payment Dates.** I acknowledge that you may be required to change my payment day(s) in connection with a change to a new loan servicer and that in such event, all references in this Loan Agreement to the 28th shall refer to such other day as is required. You agree to give me advance notice of any such change in days.

**Joint and Several Liability.** The Student Borrower and each Co-Borrower under this Loan Agreement is jointly and severally obligated on this Loan Agreement. This means that in the case of a default, the Holder may sue one or more of the Student Borrower and any Co-Borrower separately, or all of them together, at the Holder's option.

**Notices to Borrower.** Unless I am otherwise notified, the Authority or other Holder will send billing statements and other notices relating to this Agreement to the first Co-Borrower listed above (the "Notice Borrower"). Unless I am otherwise notified or otherwise required by applicable law, the borrower listed on the annual student loan interest statement (Form 1098-E or any successor thereto) filed by us with the Internal Revenue Service, and the recipient of the borrower copy of such statement, will be the Notice Borrower.

**Co-Borrower Liability.** The Student Borrower is obligated to repay the amounts owed under this Loan Agreement. Each Co-Borrower is obligated to repay the amounts owed under this Loan Agreement. The Authority or any other Holder is entitled to collect the amounts owed under this Loan Agreement from the Student Borrower without attempting to collect such amount from any Co-Borrower, and is entitled to collect the amounts owed under this Loan Agreement from any Co-Borrower without attempting to collect such amount from the Student Borrower or any other Borrower. The Student Borrower's and each Co-Borrower's obligations include the obligations to pay the principal and interest on the loan made under this Loan Agreement in the amounts and at the times specified herein, give notice of address and name changes, and pay collection costs to the extent permissible under the law. Neither the Authority nor any other Holder is required to send copies of any billing statements sent to the Notice Borrower to any other Borrower. If there is more than one Borrower, all parties agree that any communication between the Authority or any other Holder and any Borrower will be binding on all parties, and that all provisions of this Loan Agreement will apply to all Borrowers individually and collectively.

**Co-Borrower Release Provisions.** If the first 48 consecutive monthly payments due under this Loan Agreement are made by the due date, the Student Borrower or any Co-Borrower may apply to the Authority for a release of any Borrower (other than the Student Borrower) from such Borrower's obligations under this Loan Agreement. If the Student Borrower would meet the Authority's then applicable credit criteria for the making of a loan of this type without the Borrower(s) whose release is requested, as determined by the Authority, the Authority shall thereupon release the applicable Borrower(s) (other than the Student Borrower) from any further obligations under this Loan Agreement. No release of a Borrower shall be effective unless the applicable Borrower shall have received written acknowledgment of such release from the Authority.

**[The Remainder of this Page is Left Intentionally Blank]**

I acknowledge that I have received, read and understand the provisions of this Loan Agreement, including those set forth on the front and back of all pages of this document. The applicable payment dates and other dates that are derived from the applicable payment dates may be changed to a date that matches my similar loans already in repayment with the loan servicer. My signature below both evidences such acknowledgement, including acknowledgement that the obligations of all persons signing this Loan Agreement are joint and several, and constitutes my signature on this Loan Agreement. I agree that any signature delivered by facsimile and by email will be deemed to be an original signature for all purposes, including for purposes of contract enforcement and rules of evidence in any judicial or arbitration proceeding.

**This Paragraph Applies to Loan Agreements Signed Electronically.** I understand that I am not required to sign electronically this Loan Agreement and any related notices that require signature. If I choose to sign electronically this Loan Agreement and any related notices that require signature, I intend: (i) my electronic signature to be an electronic signature under applicable federal and state law, (ii) any printout of your electronic record of this Loan Agreement and related notices to be an original document, (iii) to conduct business with you by electronic records and electronic signatures, and (iv) that this Loan Agreement will not be governed by Article 3 of the Uniform Commercial Code, and my obligations under this Loan Agreement will not be subject to, but any transfer of my obligations will be subject to, Article 9 of the Uniform Commercial Code.

**For Alabama Residents: CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

**For Iowa Residents: NOTICE TO CONSUMER:**

[1] Do not sign this paper before you read it.

[2] You are entitled to a copy of this paper.

[3] You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**For Kansas Residents: NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.**

**For Maryland Residents: Lender elects to make this loan pursuant to Subtitle 10 (Credit Grantor Closed End Credit provisions) of Title 12 (Credit Regulations) of the Maryland Commercial Law, Md. Code Ann., Com. Law § 12-1001 *et seq.***

**For Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it. You may prepay the loan, in whole or in part, at any time. If interest has been added to the principal of the loan, the interest is subject to the refund requirements of Mo. Rev. Stat. § 408.170, if the loan is prepaid in full.**

**Loans to Missouri residents pursuant to the rate limitations of 408.030 are subject to the compounding and collection costs limitations pursuant to 408.080 and 408.092.**

**Loans to Missouri residents pursuant to 408.100 are subject to the fee limitations pursuant to 408.140.1 and interest shall not be capitalized or compounded. Acceleration of the note is subject to the notice requirements pursuant to 408.551 to 408.562.**

**For North Dakota Residents: NOTICE: MONEY BROKERS ARE LICENSED AND REGULATED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS, 2000 SCHAFFER STREET, SUITE G, BISMARCK, NORTH DAKOTA 58501-1204. THE DEPARTMENT OF FINANCIAL INSTITUTIONS HAS NOT PASSED ON THE MERITS OF THE CONTRACT AND LICENSING DOES NOT CONSTITUTE AN APPROVAL OF THE TERMS OR OF THE BROKER'S ABILITY TO ARRANGE ANY LOAN. COMPLAINTS REGARDING THE SERVICES OF MONEY BROKERS SHOULD BE DIRECTED TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS.**

**For Oregon Residents: This loan is made subject to the Oregon Unlawful Trade Practices Acts, including but not limited to Oregon Revised Statutes (ORS) 646.633; 646.607; and 646.608.**

**For South Dakota Residents: Any improprieties in making this loan or in Massachusetts Educational Financing Authority's loan practices may be referred to the South Dakota Division of Banking at 1601 N. Harrison Avenue, Suite 1, Pierre, South Dakota 57501, phone number: (605) 773-3421.**

**Requests for a loan modification may be considered on a case-by-case basis. The timeframe for maturity of the loan may not be extended. To request a modification, or for more information, please call (800) 233-0557.**

**To request a refinance of this loan, please call (855) 433-7334. If we agree to refinance this loan, you will not incur any refinance-specific fees or charges.**

**For West Virginia Residents: "THIS CONTRACT IS NOT PAYABLE IN INSTALLMENTS OF EQUAL AMOUNTS. LARGER INSTALLMENTS WILL BE DUE AS FOLLOWS: Please see your Final Disclosure for estimated payment due dates and amounts."**

**For Wisconsin Residents: NOTICE TO CUSTOMER: (a) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. (b) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (c) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.**

**For Wisconsin Residents: For married Wisconsin residents, Borrower's signature confirms that this loan obligation is being incurred in the interest of Borrower's marriage or family. No provision of any marital property agreement (pre-marital agreement), unilateral statement under § 766.59 of the Wisconsin statutes or court decree under § 766.70 adversely affects Authority's interest unless, prior to the time that the loan is approved, Authority is furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. If this loan for which Borrower is applying is granted, Borrower will notify Authority if Borrower has a spouse who needs to receive notification that credit has been extended to Borrower.**

**DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT IN ITS ENTIRETY, INCLUDING THE NOTICES TO COSIGNER.**

\_\_\_\_\_  
Student Borrower:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co- Borrower (Notice Borrower):

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower:

\_\_\_\_\_  
Date

## **NOTICES FOR COSIGNERS**

### **IOWA NOTICE TO COSIGNER:**

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

### **IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY**

Name of Debtor: The Notice Borrower

Name of Creditor: MEFA

Date: The date of disbursement

Kind of Debt: Education loan

Total of Payments: The total of payments will be disclosed in the Final Truth-in-Lending Disclosure you will receive prior to the loan disbursement, and it will include the principal loan amount (which will not be greater than the Loan Amount Requested) and accrued interest.

### **WEST VIRGINIA NOTICE TO COSIGNER:**

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay it if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, the fact may become a part of your credit record.



**MEFA REFINANCE  
FIXED INTEREST RATE  
LOAN AGREEMENT**

**THIS LOAN AGREEMENT IS NOT A NEGOTIABLE INSTRUMENT**

**Definitions.** In this Loan Agreement, the words, "I," "me" and "my" mean each and any of those who sign or co-sign it (each a "Borrower"). Each Borrower has an independent obligation to fulfill the terms of this Loan Agreement in full. "You," "your," "yours" and "Holder" mean and refer to the Massachusetts Educational Financing Authority (the "Authority") and any assignee of the Authority's rights under this Loan Agreement or other party entitled to enforce this Loan Agreement. "REFINANCE LOAN" means the fixed rate loan made to a Borrower pursuant to this Loan Agreement for the purpose of refinancing the outstanding amounts payable at the time of such refinancing on one or more Prior Loans. "PRIOR LOAN" means a loan the proceeds of which were applied exclusively to payment of the cost of attendance at an Institution. "INSTITUTION" means a not for profit, degree-granting educational institution authorized by law to provide a program of education beyond the secondary school level that a student attended and that is either located in Massachusetts or on the Authority's list of approved Institutions provided to the Borrower in the Refinance Loan application materials. "STUDENT" means a person admitted or enrolled or previously enrolled at an Institution whose costs of attendance at the applicable Institution were financed by the applicable Prior Loans. "EXISTING LENDER/SERVICER" means any lender that made a Prior Loan or any servicer currently servicing a Prior Loan. The terms "FINANCE CHARGE," "TOTAL OF PAYMENTS" and "AMOUNT FINANCED" refer to the amounts disclosed on the Disclosure Statement and Itemization of Amount Financed that will be delivered to me prior to the disbursement of any funds. "DISBURSEMENT DATE" means the date on which you lend money to me in consideration of the delivery of this Loan Agreement, which will be the same as the date of the loan check or the date the loan funds are electronically transferred by the Authority to the Existing Lender/Servicer. "FIRST INSTALLMENT DATE" means the date the first monthly installment is due, which will be the 28th day of the month following the month in which the Disbursement Date occurs. "MATURITY DATE" means the date that is the 28th day of the month following the Disbursement Date.

**Important/Read This Information Carefully.** Your receipt of this signed Loan Agreement does not obligate you to lend me money. If you decide to make a Refinance Loan to me, you will mail a loan check or electronically transfer the loan funds to each applicable Existing Lender/Servicer. I understand that you have the right not to make a Refinance Loan to me. If you do not make a Refinance Loan to me, I will have no obligation to you under this Loan Agreement, and this Loan Agreement will be unenforceable. If you do make a Refinance Loan to me, as evidenced by your mailing a loan check or electronically transferring the loan funds to the Existing Lender/Servicer, then all the terms of this Loan Agreement apply to me and to you and, upon such mailing or transfer, this Loan Agreement will constitute a binding agreement of each party. I understand that I am free to notify the Authority of my decision not to borrow money at any time prior to the later of (a) three (3) days after you send me the Final Disclosure Statement and Itemization of Amount Financed and (b) the actual disbursement of funds. I understand that various of the amounts shown on such Disclosure Statement and Itemization of Amount Financed are estimates.

**Acceptance of the Loan.** I acknowledge receipt from you of the Approval Disclosure relating to the Refinance Loan made under this Loan Agreement, and I accept the Refinance Loan.

**Borrower's Promise to Pay.** I promise to pay to you \$ or such lesser amount as is advanced to me or paid on my behalf (the "Principal Amount") plus accrued interest from the Disbursement Date on the unpaid Principal Amount (calculated as set forth in the "Estimated Credit Terms-Right to Prepay in Full or in Part" section below) at the rate of per annum. Interest on my Refinance Loan will begin accruing on the Disbursement Date. I will make payments in consecutive monthly installments in U.S. dollars. If I do not make a monthly payment when due, I will be in Default on the Refinance Loan, to the extent permitted by applicable law. The amount of my monthly payment will be equal to the amount that is sufficient to repay in full by the Maturity Date, in substantially equal monthly payments, the Principal Amount and interest thereon at the stated interest rate(s) for the applicable period of the Refinance Loan, or, if greater, \$50, to the extent permitted by applicable law. My installments will be due on the 28th day of every month starting on the First Installment Date. In any event, I will pay the amounts due under this Loan Agreement in full on or before the Maturity Date. I will make each installment payable to the Holder and will send it to American Education Services, P.O. Box 65093, Baltimore, Maryland 21264-5093, or to such other address as you may instruct me to send it to, in time to be received on or before its due date. I understand that I, and not you, will be responsible for errors or delays of the postal system, to the extent permitted by applicable law.

**Estimated Credit Terms-Right to Prepay in Full or in Part.** I agree to repay this Refinance Loan according to the schedule set forth above. Interest will be assessed on the basis of the average daily outstanding principal balance during the applicable assessment period. Interest will be computed on the basis of a 365 or 366-day year, unless a different method of calculating interest is required by applicable

law, as applicable, for actual days elapsed. I may prepay the unpaid principal balance of the Refinance Loan in full at any time without penalty. If I do so, the entire unearned FINANCE CHARGE will be cancelled. I will not receive any refund of the earned portion of the FINANCE CHARGE; provided, however, that no FINANCE CHARGE will be imposed which is in excess of applicable law. I also may prepay part of this Refinance Loan at any time without penalty. If I prepay part of the Refinance Loan, I will still be required to make monthly payments in the amounts set forth above, but the number of such monthly payments will be reduced, thereby shortening the repayment period of the Refinance Loan. A full or partial prepayment will decrease the total amount of the FINANCE CHARGE you have estimated, since interest is being calculated on the basis of the average daily outstanding principal balance. I understand that if I make a scheduled payment after it is due or if I make a scheduled payment prior to its due date, the total amount of the FINANCE CHARGE will increase or decrease accordingly since interest is being calculated on the basis of the average daily outstanding principal balance. I also understand that the Total of Payments disclosed is an estimate since the FINANCE CHARGE is calculated on the basis of the average daily outstanding principal balance, which will be affected by my repayment habits. I also understand that failure to pay any monthly installment in full or other payment when it is due will be a Default on my part, as stated below, to the extent permitted by applicable law.

**Application of Payment.** You will apply each installment in the following order of priority: fees for checks uncollectible because of insufficient funds or otherwise, collection costs, if applicable, interest due or unpaid for the assessment period, principal due but unpaid, and principal not yet due, to the extent permitted by applicable law. Within each priority, payments received will be applied to amounts in the order in which they first became due or payable. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Certification as to Use of Proceeds.** By signing this Loan Agreement, the Borrower represents and certifies that (i) the proceeds of the Refinance Loan will be used exclusively to refinance Prior Loans; (ii) the proceeds of such Prior Loans were used exclusively for the purpose of financing the cost of attendance at an Institution (less other forms of student assistance), (iii) each such Institution was at the time of attendance by the Student a nonprofit degree-granting educational institution authorized by law to provide a program of education beyond the secondary school level and either located in Massachusetts or on the Authority's list of approved Institutions provided to the Borrower in the Refinance Loan application materials and (iv) without limiting the above certifications, the proceeds of each Prior Loans were applied solely for educational purposes and purposes reasonably related thereto.

**Obligation to Prepay in Full or in Part from Refunds.** To the extent I receive a refund from the Existing Lender/Service of any amounts paid or refinanced with the proceeds of this Loan Agreement that are not needed to refinance my Prior Loan, I agree to prepay this Refinance Loan in full or in part with such refunded amounts.

**Default and Whole Loan Due.** Each of the following constitutes a "Default" under this Loan Agreement, to the extent permitted by applicable law: (a) payment of any amount required to be paid by me has not been received by you when due; or (b) I break any of my other promises under this Loan Agreement; or any representation or certification I make in this Loan Agreement is false or incorrect; or (c) any bankruptcy proceeding is begun by or against me or I assign any of my assets for the benefit of my creditors; or (d) I have made any false or incorrect written statement, or omitted to state any fact necessary to make the written statements which I have made not misleading, in applying for the Refinance Loan evidenced by this Loan Agreement; or (e) I die. Upon the occurrence of a Default and, to the extent permitted by applicable law, the whole unpaid principal balance, plus accrued but unpaid interest, if any, then outstanding may become due and payable at once at your option.

Upon the occurrence of any Default, the Holder reserves the right to seek payment from the Borrower of all or any portion of any attorneys' fees, collection agency fees and/or expenses incurred by the Holder in connection with the collection of amounts due to the Holder upon such Default (such fees and expenses to be referred to hereinafter as "Collection Costs"), to the extent permitted by applicable law. If the Holder elects to seek payment of Collection Costs, the Holder or its collection agent will so state in a written notice to the Borrower that describes the unpaid principal balance, accrued but unpaid interest and all other amounts due to the Holder under this Loan Agreement by reason of such Default (together, the "Default Obligation") and the Collection Costs to be assessed by reason of such Default.

The Borrower understands and agrees that Collection Costs assessed by the Holder are reasonable in light of the costs to be incurred by or on behalf of the Holder as a result of the applicable collection activities caused by a Default by the Borrower, and are in addition to the unpaid principal balance and the interest accrued and unpaid pursuant to this Loan Agreement.

I hereby give my permission to any Holder, and any entity to which this Loan Agreement is referred for collection, to access my credit information from any credit reporting agency and to report my payment history to any credit reporting agency. I understand that the Refinance Loan made under this Loan Agreement will appear as a debt on my credit reports provided by credit reporting agencies.

The Borrower understands that if there is a payment delinquency or Default under this Loan Agreement, the Borrower may receive

written collection notices and/or telephone calls regarding the unpaid amount due. The Borrower hereby gives his or her consent to be contacted for such purpose, including contact by means of an automated dialing announcement device.

**Suspension or Modification.** You are not required to grant any request for a suspension or other modification of the obligation of the Borrower to make payments. If any such request is granted, it shall be granted only upon such conditions as may be determined by you in your discretion.

**Impact of Agreement on Ability to Obtain Alternative Financing.** The Borrower understands that the Refinance Loan evidenced hereby may eliminate or reduce the Borrower's ability to obtain other financial assistance for educational or other purposes.

**Change in Contact Information.** Each Borrower agrees to notify the Authority and the Holder in writing of any change of name or address. Failure to do so, or to respond in writing within a reasonable time to written inquiries by the Authority or the Holder or a representative or agent of either of them relating to payment of the amounts required under this Loan Agreement or observance or performance of any other term or condition of this Loan Agreement, shall constitute a Default under this Loan Agreement, to the extent permitted by applicable law.

**Use of Automated Telephone Dialing Equipment, Emails and Text Messages.** By signing this Agreement, the Borrower hereby agrees that in connection with this Loan Agreement or for servicing my account and/or collecting amounts owed under this Loan Agreement, you may contact me using automated telephone dialing equipment or an artificial/pre-recorded voice or text message at any telephone number I provide to you as a contact number or that you may obtain as a contact number for me from other sources, including any cell phone number. In addition, I agree that you may monitor and record telephone calls regarding my account. I agree that you may contact me at any email address I supply you regarding the originations, servicing and collections of my Refinance Loan. Additionally, you may text message me at any phone number or email address I provide as a means of contact or that you may obtain as a contact number or email address for me from other sources.

**Acceptance of Delinquent Installments.** The acceptance of any delinquent installment(s) shall not operate to extend the time of payment of any amount(s) then remaining unpaid or constitute a waiver of any rights or remedies. No extension of time for the payment of any amount owing under this Loan Agreement at any time shall alter the liability of the Borrower.

**Documentation and Assignment.** Presentment, demand, dishonor, protest and all other demands and notices in connection with the delivery, acceptance, performance or collection of this Loan Agreement are hereby waived. This Loan Agreement is a sealed instrument. This Loan Agreement may be transferred or assigned by the Holder without the consent of the Borrower, but the obligations of the Borrower may not be assigned by the Borrower.

**Severability and Enforceability.** If any provision hereof is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other provisions of this Loan Agreement or of this Loan Agreement as a whole.

**Choice of Law.** The Authority is located in Massachusetts, and the Authority's decision on whether to lend me money will occur in Massachusetts. Consequently, the provisions of this Loan Agreement will be governed by the law of The Commonwealth of Massachusetts, without regard to conflict of law rules.

**Limits on Discharge of Debt in Bankruptcy.** I acknowledge that the Authority's Refinance Loan program is funded by a governmental unit and that this Loan Agreement is, therefore, subject to the limits on dischargeability in bankruptcy contained in Section 523(a)(8) of the United States Bankruptcy Code. That means that the debt I am assuming is not dischargeable in bankruptcy unless the exemption from discharge would cause me and my dependents "undue hardship" as this phrase would be interpreted under applicable law.

**Change in Payment Dates.** I acknowledge that you may be required to change my payment day(s) in connection with a change to a new loan servicer and that in such event, all references in this Loan Agreement to the 28th shall refer to such other day as is required. You agree to give me advance notice of any such change in days.

**Joint and Several Liability.** Each Borrower under this Loan Agreement is jointly and severally obligated on this Loan Agreement. This means that in the case of a default, if there is more than one Borrower, the Holder may sue one Borrower, or each Borrower separately, or both Borrowers together, at the Holder's option.

**Notice to Borrower.** Unless I am otherwise notified, the Authority or other Holder will send billing statements and other notices relating to this Loan Agreement to the Borrower whose Prior Loans were refinanced by the Refinance Loan (the "Notice Borrower"). If there is more than one Borrower, all parties agree that any communication between the Authority or any other Holder and any

Borrower will be binding on all parties, including the other Borrower, and that all provisions of this Loan Agreement will apply to each Borrower individually and collectively.

**Co-Borrower Liability.** Every signer of this Loan Agreement has an independent, as well as a joint, obligation to fulfill the terms of this Loan Agreement in full. This means that, if there is more than one Borrower, each Borrower is obligated to repay all amounts owed under this Loan Agreement. The Authority or any other Holder is entitled to collect the amounts owed under this Loan Agreement from any Borrower without attempting to collect such amount from any other Borrower, and the Authority or any other Holder is entitled to collect the amounts owed under this Loan Agreement from any other Borrower without attempting to collect such amount from the Borrower whose Prior Loans were refinanced by the Refinance Loan. The Borrower is obligated to: pay the principal of and the interest on the Refinance Loan made under this Loan Agreement in the amounts and at the times specified herein, give notice of address and name changes, and pay collection costs to the extent permissible under the law.

**[The Remainder of this Page is Left Intentionally Blank]**

I acknowledge that I have received, read and understand the provisions of this Loan Agreement, including those set forth on the front and back of all pages of this document. The applicable payment dates and other dates that are derived from the applicable payment dates may be changed to a date that matches my similar loans already in repayment with the loan servicer. My signature of this Loan Agreement evidences such acknowledgement, including acknowledgement that the obligations of all persons signing this Loan Agreement are joint and several. I agree that any signature delivered electronically, by facsimile or by email will be deemed to be an original signature for all purposes, including for purposes of contract enforcement and rules of evidence in any judicial or arbitration proceeding.

**Electronic Signature of Loan Agreement.** I am signing this Loan Agreement and any related notices that require signing electronically. Accordingly, I intend: (i) my electronic signature to be an electronic signature under applicable federal and state law, (ii) any printout of your electronic record of this Loan Agreement and related notices to be an original document, (iii) to conduct business with you by electronic records and electronic signatures, and (iv) that this Loan Agreement will not be governed by Article 3 of the Uniform Commercial Code, and my obligations under this Loan Agreement will not be subject to, but any transfer of my obligations will be subject to, Article 9 of the Uniform Commercial Code.

**For Alabama Residents: CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

**For Iowa Residents: NOTICE TO CONSUMER:**

[1] Do not sign this paper before you read it.

[2] You are entitled to a copy of this paper.

[3] You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**For Kansas Residents: NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.**

**For Maryland Residents: Lender elects to make this loan pursuant to Subtitle 10 (Credit Grantor Closed End Credit provisions) of Title 12 (Credit Regulations) of the Maryland Commercial Law, Md. Code Ann., Com. Law § 12-1001 *et seq.***

**For Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it. You may prepay the loan, in whole or in part, at any time. If interest has been added to the principal of the loan, the interest is subject to the refund requirements of Mo. Rev. Stat. § 408.170, if the loan is prepaid in full.**

**Loans to Missouri residents pursuant to the rate limitations of 408.030 are subject to the compounding and collection costs limitations pursuant to 408.080 and 408.092.**

**Loans to Missouri residents pursuant to 408.100 are subject to the fee limitations pursuant to 408.140.1 and interest shall not be capitalized or compounded. Acceleration of the note is subject to the notice requirements pursuant to 408.551 to 408.562.**

**For North Dakota Residents: NOTICE: MONEY BROKERS ARE LICENSED AND REGULATED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS, 2000 SCHAFFER STREET, SUITE G, BISMARCK, NORTH DAKOTA 58501-1204. THE DEPARTMENT OF FINANCIAL INSTITUTIONS HAS NOT PASSED ON THE MERITS OF THE CONTRACT AND LICENSING DOES NOT CONSTITUTE AN APPROVAL OF THE TERMS OR OF THE BROKER'S ABILITY TO ARRANGE ANY LOAN. COMPLAINTS REGARDING THE SERVICES OF MONEY BROKERS SHOULD BE DIRECTED TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS.**



## **NOTICES FOR COSIGNERS**

### **IOWA NOTICE TO COSIGNER:**

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

### **IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY**

Name of Debtor: The Notice Borrower

Name of Creditor: MEFA

Date: The date of disbursement

Kind of Debt: Education loan

Total of Payments: The total of payments will be disclosed in the Final Truth-in-Lending Disclosure you will receive prior to the loan disbursement, and it will include the principal loan amount (which will not be greater than the Loan Amount Requested) and accrued interest.

### **WEST VIRGINIA NOTICE TO COSIGNER:**

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay it if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, the fact may become a part of your credit record.

**FIXED INTEREST RATE MEFA UNDERGRADUATE  
LOAN AGREEMENT**

**THIS LOAN AGREEMENT IS NOT A NEGOTIABLE INSTRUMENT**

In this Loan Agreement, the words, "I," "me" and "my" mean each and any of those who sign or co-sign it (each a "Borrower"). The Borrower whose costs of attendance are financed under this Loan Agreement is sometimes referred to as the "Student Borrower" and other Borrowers are sometimes referred to as "Co-Borrowers." Every signer of this Loan Agreement has an independent, as well as a joint, obligation to fulfill the terms of this Loan Agreement. "You," "your," "yours" and "Holder" mean and refer to the Massachusetts Educational Financing Authority (the "Authority") and any assignee of the Authority's rights under this Loan Agreement or other party entitled to enforce this Loan Agreement. The term "Institution" means the not for profit degree-granting institution at which the Student Borrower's cost of attendance are financed pursuant to this Loan Agreement. The terms FINANCE CHARGE, TOTAL OF PAYMENTS and AMOUNT FINANCED refer to the amounts disclosed on the Disclosure Statement and Itemization of Amount Financed that will be delivered to me prior to the disbursement of any funds. I understand that I am free to notify the Authority of my decision not to borrow money at any time prior to the later of (a) three (3) days after you send me the Final Disclosure Statement and Itemization of Amount Financed and (b) the actual disbursement of funds. I understand that each of the terms shown on such Disclosure Statement and Itemization of Amount Financed are estimates.

**Advances.** I understand that I will be notified of the total amount of money that you will advance to me or pay on my behalf, and the dates when such money will be advanced. I further understand that I may cancel the request for additional advances at any time. Notwithstanding any such notification, I understand that you may not advance any further amounts if a "Default" hereunder shall have occurred and exists, or if the Student Borrower is no longer at least a half-time student at the Institution or is not maintaining satisfactory academic progress as defined by the Institution. In no event shall the amount advanced exceed the amount certified by the Institution, which amount shall not exceed the cost of attendance at the Institution for the period financed by this Loan Agreement less financial aid for the applicable period.

**Important/Read This Information Carefully.** Your receipt of this signed Loan Agreement does not obligate you to lend me money. If you decide to make a loan to me, you will mail a loan check or electronically transfer the loan funds to the Institution. I understand that you have the right not to make a loan to me. If you do not make a loan to me, I will have no obligation to you under this Loan Agreement, and this Loan Agreement will be unenforceable. If you do make a loan to me, as evidenced by your mailing a loan check or electronically transferring the loan funds to the Institution, then all the terms of this Loan Agreement apply to me and to you and, upon such mailing or transfer, this Loan Agreement will constitute a binding agreement of each party.

**Acceptance of the Loan.** I acknowledge receipt from you of the Approval Disclosure relating to the loan made under this Loan Agreement and accept the loan.

**Promise to Pay.** I promise to pay to you \_\_\_\_\_ (or such lesser amount as is advanced to me or paid on my behalf,) (the "Principal Amount") plus interest from the Disbursement Date (as defined below) on the unpaid Principal Amount (calculated as set forth in the "Estimated Credit Terms-Right to Prepay in Full or in Part" section below) at the rate of \_\_\_\_\_ per annum. Interest on my loan will begin accruing on the loan on the Initial Disbursement Date (as defined below). Any interest that accrues between the Initial Disbursement Date and the Final Disbursement Date (as defined below) shall be added to the unpaid principal balance of this Loan Agreement on the First Installment Date. I will make payments in \_\_\_\_\_ consecutive monthly installments in U.S. dollars. If I do not make a monthly payment when due, I will be in default on the loan, to the extent permitted by applicable law. The amount of my monthly payment will be equal to the amount that would be sufficient to repay in full by the Maturity Date (defined below), in substantially equal monthly payments, the Principal Amount and interest thereon at the stated interest rate(s) for the applicable period of the loan. The minimum monthly payment on the loan shall be \_\_\_\_\_, to the extent permitted by applicable law. My installments will be due on the 28th day of every month starting on the First Installment Date (as defined below). In any event, I will pay the amounts due under this Loan Agreement in full on or before the Maturity Date. Unless otherwise instructed by you, I will make each installment payable to the Holder and will send it to American Education Services, P.O. Box 65093, Baltimore, Maryland 21264-5093 in time to be received on or before its due date. I understand that I, and not you, will be responsible for errors or delays of the postal system, to the extent permitted by applicable law. You will apply each payment in the following order of priority: fees for checks uncollectible because of insufficient



funds or otherwise, collection costs, if applicable, interest due or unpaid for the assessment period, principal due but unpaid, and principal not yet due, to the extent permitted by applicable law. Within each priority, payments received will be applied to amounts in the order in which they first became due or payable. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Definitions.** “DISBURSEMENT DATE” means each date on which you lend money to me in consideration of the delivery of this Loan Agreement and in each case will be the date of the loan check or the date the loan funds are electronically transferred by the Authority to the Institution. “INITIAL DISBURSEMENT DATE” means the first date on which you lend money to me either by loan check or electronic transfer of funds by the Authority to the Institution. “MATURITY DATE” means the date that is the 28th day of the month following the Final Disbursement Date. “FIRST INSTALLMENT DATE” means the date the first monthly installment is due. The First Installment Date will be on the 28th day of the month following the month in which the Final Disbursement Date occurs. “FINAL DISBURSEMENT DATE” means the earliest of (i) the date when the total of all amounts authorized to be advanced hereunder has been advanced, (ii) the date when you determine that no additional advances will be made (in the circumstances described under “Advances”) or (iii) the date when I notify you that I do not want any additional advances.

**Estimated Credit Terms-Right to Prepay in Full or in Part.** I have agreed to repay this loan according to the schedule set forth above. Interest will be assessed on the basis of the average daily outstanding principal balance during the applicable assessment period. Interest will be computed on the basis of a 365 or 366-day calendar year, unless a different method of calculating interest is required by applicable law. I may prepay the unpaid principal balance in full at any time without penalty. If I do so the entire unearned FINANCE CHARGE will be canceled. I will not receive any refund of the earned portion of the FINANCE CHARGE; provided, however, that no FINANCE CHARGE will thus be imposed which is in excess of applicable law. I also may prepay part of the loan at any time without penalty. If I prepay part of the loan I will still be required to make monthly payments in the amounts set forth above, but the number of such monthly payments will be reduced, thereby shortening the repayment period of the loan. A full or partial prepayment will decrease the total amount of the FINANCE CHARGE you have estimated, since interest is being calculated on the basis of the average daily outstanding principal balance. I understand that if I make a scheduled payment after it is due or if I make a scheduled payment prior to its due date, the total amount of the FINANCE CHARGE will increase or decrease accordingly since interest is being calculated on the basis of the average daily outstanding principal balance. I also understand that the “Total of Payments” disclosed is estimated since the total amount to be advanced to me or on my behalf is estimated and the FINANCE CHARGE is calculated on the basis of the average daily outstanding principal balance, which will be affected by my repayment habits, and on the basis of an assumed amount to be advanced, assumed Disbursement Dates. I also understand that failure to pay any monthly installment in full or other payment when it is due will be a default on my part as stated below, to the extent permitted by applicable law.

**Obligation to Prepay in Full or in Part from Refunds.** To the extent I receive a refund from the Institution of any amounts paid or refinanced with the proceeds of this Loan Agreement that are not needed for costs of attendance at the Institution, I agree to prepay this loan in full or in part with such refunded amounts.

**Default and Whole Loan Due.** To the extent permitted by applicable law, I will be in default and the whole unpaid principal balance, plus accrued but unpaid interest, if any, then outstanding may become due and payable at once at your option, if (a) payment of any amount required to be paid by me has not been received by you when due; or (b) I break any of my other promises under this Loan Agreement; or (c) any bankruptcy proceeding is begun by or against me or I assign any of my assets for the benefit of my creditors; or (d) I have made any false written statement, or omitted to state a fact necessary to make the written statements which I have made not misleading in applying for the loan evidenced by this Loan Agreement; or (e) I die (each such event, a “Default”).

Upon the occurrence of any Default, the Holder reserves the right to seek payment from the Student Borrower and any Co-Borrower of all or any portion of any attorneys’ fees, collection agency fees and/or expenses incurred by the Holder in connection with the collection of amounts due to the Holder upon such Default (such fees and expenses to be referred to hereinafter as “Collection Costs”), to the extent permitted by applicable law. If the Holder elects to seek payment of Collection Costs, the Holder or its collection agent will so state in a written notice to the Borrower and any Co-Borrower that describes the unpaid principal balance (including deferred interest described under “Interest and Deferral” above), accrued but unpaid interest and all other amounts due to the Holder

under this Loan Agreement by reason of such Default (together, the "Default Obligation") and the Collection Costs to be assessed by reason of such Default. The Student Borrower and each Co-Borrower understand and agree that Collection Costs assessed to the Student Borrower and each co-Borrower by the Holder are reasonable in light of the costs to be incurred by or on behalf of the Holder as a result of the applicable collection activities caused by a Default by the Student Borrower or any Co-Borrower, and are in addition to the unpaid principal balance and the interest accrued and unpaid pursuant to this Loan Agreement and any other amounts due under this Loan Agreement.

I hereby give my permission to any Holder, and any entity to which this Loan Agreement is referred for collection, to access my credit information from any credit reporting agency and to report my payment history to any credit reporting agency. I understand that the loan made under this Loan Agreement will appear as a debt on my credit reports provided by credit reporting agencies.

The Student Borrower and each Co-Borrower understand that if there is a payment delinquency or Default under this Loan Agreement, the Student Borrower and each Co-Borrower may receive written collection notices and/or telephone calls regarding the unpaid amount due. The Student Borrower and each Co-Borrower each hereby gives his or her consent to be contacted for such purpose, including contact by means of an automated dialing announcement device.

**Suspension or Modification.** You are not required to grant any request for a suspension or other modification of the obligation of the Student Borrower and each Co-Borrower to make payments. If any such request is granted, it shall be granted only upon such conditions as may be determined by you in your discretion.

**Impact of Agreement on Ability to Obtain Alternative Financing.** The Student Borrower and each Co-Borrower understand that the loan evidenced hereby may eliminate or reduce their ability to obtain other financial assistance for educational or other purposes.

**Change in Contact Information.** The Student Borrower and each Co-Borrower agree to notify the Authority, the Institution and the Holder in writing of any change of name, telephone number, address or email address. Failure by any of them to do so, or to respond in writing within a reasonable time to written inquiries by the Authority or the Holder or a representative or agent of either of them relating to payment of the amounts required under this Loan Agreement or observance or performance of any other term or condition of this Loan Agreement, shall constitute a default under this Loan Agreement, to the extent permitted by applicable law.

**Use of Automated Telephone Dialing Equipment, Emails and Text Messages.** By signing this Agreement, I hereby agree that in connection with this Loan Application or for servicing my account and/or collecting amounts I may owe you may contact me using automated telephone dialing equipment or an artificial/pre-recorded voice or text message at any telephone number I provide to you, including any cell phone number. In addition, I agree that you may monitor and record telephone calls regarding my account. I agree that you may contact me at any email address I supply you regarding the originations, servicing and collections of my loan. Additionally, you may text message me at any phone or email address I provide.

**Application of Loan Proceeds.** The proceeds of the loan evidenced by this Loan Agreement shall not be applied, directly or indirectly, for any purpose other than financing the Student Borrower's cost of attendance at a not for profit degree-granting institution. By signing this Loan Agreement, each of the Student Borrower and each Co-Borrower hereby certifies that the information supplied in the loan application for the loan made under this Loan Agreement concerning the Student Borrower's state of residence and the identity and location of the Institution at which the cost of attendance financed by the loan made under this Loan Agreement have been or are being incurred is true, correct and accurate, and acknowledges that the Authority is relying on such certification in determining the Student Borrower's eligibility for the loan made under this Loan Agreement.

**Acceptance of Delinquent Installments.** The acceptance of any delinquent installment(s) shall not operate to extend the time of payment of any amount(s) then remaining unpaid or constitute a waiver of any rights or remedies. No extension of time for the payment of any amount owing under this Loan Agreement at any time shall alter the liability of the Student Borrower or any Co-Borrower.

**Documentation and Assignment.** Presentment, demand, dishonor, protest and all other demands and notices in connection with the delivery, acceptance, performance or collection of this Loan Agreement are hereby waived.

This Loan Agreement is a sealed instrument. This Loan Agreement may be transferred or assigned by the Holder without the consent of the Student Borrower or any Co-Borrower, but the obligations of the Student Borrower and any Co-Borrower may not be assigned by the Student Borrower or any Co-Borrower.

**Severability and Enforceability.** If any provision hereof is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other provisions of this Loan Agreement or of this Loan Agreement as a whole.

**Choice of Law.** The Authority is located in Massachusetts, and the Authority's decision on whether to lend me money will occur in Massachusetts. Consequently, the provisions of this Loan Agreement will be governed by the law of The Commonwealth of Massachusetts, without regard to conflict of law rules.

**Limits on Discharge of Debt in Bankruptcy** I acknowledge that the Authority's loan program is funded by a governmental unit and that this Loan Agreement is, therefore, subject to the limits on dischargeability in bankruptcy contained in Section 523(a)(8) of the United States Bankruptcy Code. That means that the debt I am assuming is not dischargeable in bankruptcy unless the exemption from discharge would cause me and my dependents "undue hardship" as this phrase would be interpreted under applicable law.

**Change in Payment Dates.** I acknowledge that you may be required to change my payment day(s) in connection with a change to a new loan servicer and that in such event, all references in this Loan Agreement to the 28th shall refer to such other day as is required. You agree to give me advance notice of any such change in days.

**Joint and Several Liability.** The Student Borrower and each Co-Borrower under this Loan Agreement is jointly and severally obligated on this Loan Agreement. This means that in the case of a default, the Holder may sue one or more of the Student Borrower and any Co-Borrower separately, or all of them together, at the Holder's option.

**Notices to Borrower.** Unless I am otherwise notified, the Authority or other Holder will send billing statements and other notices relating to this Loan Agreement to the first Co-Borrower listed above (the "Notice Borrower"). Unless I am otherwise notified or otherwise required by applicable law, the borrower listed on the annual student loan interest statement (Form 1098-E or any successor thereto) filed by us with the Internal Revenue Service, and the recipient of the borrower copy of such statement, will be the Notice Borrower.

**Co-Borrower Liability.** The Student Borrower is obligated to repay the amounts owed under this Loan Agreement. Each Co-Borrower is obligated to repay the amounts owed under this Loan Agreement. The Authority or any other Holder is entitled to collect the amounts owed under this Loan Agreement from the Student Borrower without attempting to collect such amount from any Co-Borrower, and is entitled to collect the amounts owed under this Loan Agreement from any Co-Borrower without attempting to collect such amount from the Student Borrower or any other Borrower. The Student Borrower's and each Co-Borrower's obligations include the obligations to pay the principal and interest on the loan made under this Loan Agreement in the amounts and at the times specified herein, give notice of address and name changes, and pay collection costs to the extent permissible under the law. Neither the Authority nor any other Holder is required to send copies of any billing statements sent to the Notice Borrower to any other Borrower. If there is more than one Borrower, all parties agree that any communication between the Authority or any other Holder and any Borrower will be binding on all parties, and that all provisions of this Loan Agreement will apply to all Borrowers individually and collectively.

**[The Remainder of this Page is Left Intentionally Blank]**

I acknowledge that I have received, read and understand the provisions of this Loan Agreement, including those set forth on the front and back of all pages of this document. The applicable payment dates and other dates that are derived from the applicable payment dates may be changed to a date that matches my similar loans already in repayment with the loan servicer. My signature below both evidences such acknowledgement, including acknowledgement that the obligations of all persons signing this Loan Agreement are joint and several, and constitutes my signature on this Loan Agreement. I agree that any signature delivered by facsimile and by email will be deemed to be an original signature for all purposes, including for purposes of contract enforcement and rules of evidence in any judicial or arbitration proceeding.

**This Paragraph Applies to Loan Agreements Signed Electronically.** I understand that I am not required to sign electronically this Loan Agreement and any related notices that require signature. If I choose to sign electronically this Loan Agreement and any related notices that require signature, I intend: (i) my electronic signature to be an electronic signature under applicable federal and state law, (ii) any printout of your electronic record of this Loan Agreement and related notices to be an original document, (iii) to conduct business with you by electronic records and electronic signatures, and (iv) that this Loan Agreement will not be governed by Article 3 of the Uniform Commercial Code, and my obligations under this Loan Agreement will not be subject to, but any transfer of my obligations will be subject to, Article 9 of the Uniform Commercial Code.

**For Alabama Residents: CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

**For Iowa Residents: NOTICE TO CONSUMER:**

[1] Do not sign this paper before you read it.

[2] You are entitled to a copy of this paper.

[3] You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**For Kansas Residents: NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.**

**For Maryland Residents: Lender elects to make this loan pursuant to Subtitle 10 (Credit Grantor Closed End Credit provisions) of Title 12 (Credit Regulations) of the Maryland Commercial Law, Md. Code Ann., Com. Law § 12-1001 *et seq.***

**For Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it. You may prepay the loan, in whole or in part, at any time. If interest has been added to the principal of the loan, the interest is subject to the refund requirements of Mo. Rev. Stat. § 408.170, if the loan is prepaid in full.**

**Loans to Missouri residents pursuant to the rate limitations of 408.030 are subject to the compounding and collection costs limitations pursuant to 408.080 and 408.092.**

**Loans to Missouri residents pursuant to 408.100 are subject to the fee limitations pursuant to 408.140.1 and interest shall not be capitalized or compounded. Acceleration of the note is subject to the notice requirements pursuant to 408.551 to 408.562.**

**For North Dakota Residents: NOTICE: MONEY BROKERS ARE LICENSED AND REGULATED**

**BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS, 2000 SCHAFER STREET, SUITE G, BISMARCK, NORTH DAKOTA 58501-1204. THE DEPARTMENT OF FINANCIAL INSTITUTIONS HAS NOT PASSED ON THE MERITS OF THE CONTRACT AND LICENSING DOES NOT CONSTITUTE AN APPROVAL OF THE TERMS OR OF THE BROKER'S ABILITY TO ARRANGE ANY LOAN. COMPLAINTS REGARDING THE SERVICES OF MONEY BROKERS SHOULD BE DIRECTED TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS.**

**For Oregon Residents: This loan is made subject to the Oregon Unlawful Trade Practices Acts, including but not limited to Oregon Revised Statutes (ORS) 646.633; 646.607; and 646.608.**

**For South Dakota Residents: Any improprieties in making this loan or in Massachusetts Educational Financing Authority's loan practices may be referred to the South Dakota Division of Banking at 1601 N. Harrison Avenue, Suite 1, Pierre, South Dakota 57501, phone number: (605) 773-3421.**

**Requests for a loan modification may be considered on a case-by-case basis. The timeframe for maturity of the loan may not be extended. To request a modification, or for more information, please call (800) 233-0557.**

**To request a refinance of this loan, please call (855) 433-7334. If we agree to refinance this loan, you will not incur any refinance-specific fees or charges.**

**For West Virginia Residents: "THIS CONTRACT IS NOT PAYABLE IN INSTALLMENTS OF EQUAL AMOUNTS. LARGER INSTALLMENTS WILL BE DUE AS FOLLOWS: Please see your Final Disclosure for estimated payment due dates and amounts."**

**For Wisconsin Residents: NOTICE TO CUSTOMER: (a) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. (b) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (c) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.**

**For Wisconsin Residents: For married Wisconsin residents, Borrower's signature confirms that this loan obligation is being incurred in the interest of Borrower's marriage or family. No provision of any marital property agreement (pre-marital agreement), unilateral statement under § 766.59 of the Wisconsin statutes or court decree under § 766.70 adversely affects Authority's interest unless, prior to the time that the loan is approved, Authority is furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. If this loan for which Borrower is applying is granted, Borrower will notify Authority if Borrower has a spouse who needs to receive notification that credit has been extended to Borrower.**

**DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT IN ITS ENTIRETY, INCLUDING THE NOTICES TO COSIGNER.**

\_\_\_\_\_  
Student Borrower:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower (Notice Borrower):

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower:

\_\_\_\_\_  
Date

## **NOTICES FOR COSIGNERS**

### **IOWA NOTICE TO COSIGNER:**

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

### **IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY**

Name of Debtor: The Notice Borrower

Name of Creditor: MEFA

Date: The date of disbursement

Kind of Debt: Education loan

Total of Payments: The total of payments will be disclosed in the Final Truth-in-Lending Disclosure you will receive prior to the loan disbursement, and it will include the principal loan amount (which will not be greater than the Loan Amount Requested) and accrued interest.

### **WEST VIRGINIA NOTICE TO COSIGNER:**

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay it if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, the fact may become a part of your credit record.

**MEFA DEFERRED UNDERGRADUATE  
LOAN AGREEMENT**

**THIS LOAN AGREEMENT IS NOT A NEGOTIABLE INSTRUMENT**

In this Loan Agreement, the words, "I," "me" and "my" mean each and any of those who sign or co-sign it (each a "Borrower"). The Borrower whose costs of attendance are financed under this Loan Agreement is sometimes referred to as the "Student Borrower" and other Borrowers are sometimes referred to as "Co- Borrowers." Every signer of this Loan Agreement has an independent, as well as a joint, obligation to fulfill the terms of this Loan Agreement. "You," "your," "yours" and "Holder" mean and refer to the Massachusetts Educational Financing Authority (the "Authority") and any assignee of the Authority's rights under this Loan Agreement or other party entitled to enforce this Loan Agreement. The term "Institution" means the not for profit degree-granting institution at which the Student Borrower's cost of attendance are financed pursuant to this Loan Agreement. The terms FINANCE CHARGE, TOTAL OF PAYMENTS and AMOUNT FINANCED refer to the amounts disclosed on the Disclosure Statement and Itemization of Amount Financed that will be delivered to me prior to the disbursement of any funds. I understand that I am free to notify the Authority of my decision not to borrow money at any time prior to the later of (a) three (3) days after you send me the Final Disclosure Statement and Itemization of Amount Financed and (b) the actual disbursement of funds. I understand that each of the terms shown on such Disclosure Statement and Itemization of Amount Financed are estimates.

**Advances.** I understand that I will be notified of the total amount of money that you will advance to me or pay on my behalf, and the dates when such money will be advanced. I further understand that I may cancel the request for additional advances at any time. Notwithstanding any such notification, I understand that you may not advance any further amounts if a "Default" hereunder shall have occurred and exists, or if the Student Borrower is no longer at least a half-time student at the Institution or is not maintaining satisfactory academic progress as defined by the Institution. In no event shall the amount advanced exceed the amount certified by the Institution, which amount shall not exceed the cost of attendance at the Institution for the period financed by this Loan Agreement less financial aid for the applicable period.

**Important/Read This Information Carefully.** Your receipt of this signed Loan Agreement does not obligate you to lend me money. If you decide to make a loan to me, you will mail a loan check or electronically transfer the loan funds to the Institution. I understand that you have the right not to make a loan to me. If you do not make a loan to me, I will have no obligation to you under this Loan Agreement, and this Loan Agreement will be unenforceable. If you do make a loan to me, as evidenced by your mailing a loan check or electronically transferring the loan funds to the Institution, then all the terms of this Loan Agreement apply to me and to you and, upon such mailing or transfer, this Loan Agreement will constitute a binding agreement of each party.

**Acceptance of the Loan.** I acknowledge receipt from you of the Approval Disclosure relating to the loan made under this Loan Agreement and accept the loan.

**Promise to Pay.** I promise to pay to you \_\_\_\_\_ (or such lesser amount as is advanced to me or paid on my behalf) (the "Principal Amount") plus deferred interest added to the Principal Amount of this Loan Agreement pursuant to the "Interest and Deferral" section. I also promise to pay interest on the unpaid principal balance of this Loan Agreement (calculated as set forth in the "Estimated Credit Terms-Right to Prepay in Full or in Part" section below) at the rate of \_\_\_\_\_ per annum. The unpaid principal balance of this Loan Agreement shall be said Principal Amount, plus any deferred interest added thereto pursuant to the "Interest and Deferral" section below, minus any amount applied to principal due but unpaid pursuant to the "Repayment" subsection (a) below. The minimum monthly payment on the loan shall be \_\_\_\_\_, to the extent permitted by applicable law. If I do not make a monthly payment when due, I will be in default on the loan, to the extent permitted by applicable law. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Interest and Deferral.** Provided that the Student Borrower maintains at least half time status at the Institution and is maintaining satisfactory academic progress as defined by the Institution, required payments of principal and interest will be deferred until the earlier of the 28th day of the month that is (i) six months after

the student's expected graduation date at the time the Final Disclosure for this Loan Agreement is provided (the end of such deferral period being the date set forth in the Final Disclosure) or (ii) six months after the 28<sup>th</sup> day of the month in which you determine that the student no longer maintains at least half time status at the Institution (other than as a result of graduation) or is no longer maintaining satisfactory academic progress as defined by the Institution (the "REPAYMENT COMMENCEMENT DATE"). The Repayment Commencement Date may be changed in MEFA's sole discretion based on changes in the Student Borrower's expected graduation date after the Loan Agreement is executed, provided that in any event the Repayment Commencement Date shall be no later than the 28<sup>th</sup> day of the 60th month following the Final Disbursement Date (defined below), and that no change in the Repayment Commencement Date shall be binding on the Authority unless the Borrower shall have received written acknowledgment of such change from the Authority. Interest on the unpaid principal balance of this Loan Agreement will, however, accrue from each applicable Disbursement Date (defined below) until I begin repayment. Payments of interest accruing before the Repayment Commencement Date will be deferred until the Repayment Commencement Date. Any such accrued but unpaid interest will be added to the unpaid principal balance of this Loan Agreement on the Repayment Commencement Date.

**Definitions.** "DISBURSEMENT DATE" means each date on which you lend money to me in consideration of the delivery of this Loan Agreement and in each case will be the date of the loan check or the date the loan funds are electronically transferred by the Authority to the Institution. "MATURITY DATE" means the date that is the first 28th day of the month following the Final Disbursement Date. "FIRST INSTALLMENT DATE" means the date the first monthly installment is due. The first installment date will be on the Repayment Commencement Date (defined above). "FINAL DISBURSEMENT DATE" means the earliest of (i) the date when the total of all amounts authorized to be advanced hereunder has been advanced, (ii) the date when you determine that no additional advances will be made (in the circumstances described under "Advances") or (iii) the date when I notify you that I do not want any additional advances.

**Repayment.** (a) COMMENCEMENT OF REPAYMENT. I will repay this Loan Agreement beginning on the Repayment Commencement Date in consecutive monthly installments in U.S. dollars until the Maturity Date (defined above). The amount of my monthly payment will be equal to the amount that would be sufficient to repay in full by the Maturity Date, in substantially equal monthly payments, the unpaid principal balance (including the deferred interest of this Loan Agreement) as of the Repayment Commencement Date plus interest thereon at the stated interest rate. My installments will be due on the 28th day of every month starting on the Repayment Commencement Date. In any event, I will pay the amounts due under this Loan Agreement in full on or before the Maturity Date. Unless otherwise instructed by you, I will make each installment payable to the Holder and will send it to American Education Services, P.O. Box 65093, Baltimore, Maryland 21264-5093 in time to be received on or before its due date. I understand that I, and not you, will be responsible for errors or delays of the postal system, to the extent permitted by applicable law. You will apply each payment in the following order of priority: fees for checks uncollectible because of insufficient funds or otherwise, collection costs, if applicable, interest due or unpaid for the assessment period, principal (including deferred interest added to principal pursuant to the "Interest and Deferral" section above) due but unpaid, and principal not yet due, to the extent permitted by applicable law. Within each priority, payments received will be applied to amounts in the order in which they first became due or payable. You may impose and I will pay a fee not in excess of the amount permitted by applicable law with respect to a payment which cannot be collected upon its initial deposit for collection because of insufficient funds or for any other reasons.

**Estimated Credit Terms-Right to Prepay in Full or in Part.** I have agreed to repay this loan according to the schedule set forth above. Interest will be assessed on the basis of the average daily outstanding principal balance during the applicable assessment period. Interest will be computed on the basis of a 365 or 366-day calendar year, unless a different method of calculating interest is required by applicable law. I may prepay the unpaid principal balance in full at any time without penalty. If I do so the entire unearned FINANCE CHARGE will be canceled. I will not receive any refund of the earned portion of the FINANCE CHARGE; provided, however, that no FINANCE CHARGE will thus be imposed which is in excess of applicable law. I also may prepay part of the loan at any time without penalty. If I prepay part of the loan I will still be required to make monthly payments in the amounts set forth above, but the number of such monthly payments will be reduced, thereby shortening the repayment period of the loan. A full or partial prepayment will decrease the total amount of the FINANCE CHARGE you have estimated, since interest is being calculated on the basis of the average daily outstanding principal balance. I understand that if I make a scheduled payment after it is due or if I make a scheduled payment prior to its due date, the total amount of the FINANCE CHARGE will increase or decrease accordingly since



interest is being calculated on the basis of the average daily outstanding principal balance. I also understand that the "Total of Payments" disclosed is estimated since the total amount to be advanced to me or on my behalf is estimated and the FINANCE CHARGE is calculated on the basis of the average daily outstanding principal balance, which will be affected by my repayment habits, and on the basis of an assumed amount to be advanced and assumed Disbursement Dates. I also understand that failure to pay any monthly installment in full or other payment when it is due will be a default on my part as stated below, to the extent permitted by applicable law.

**Obligation to Prepay in Full or in Part from Refunds.** To the extent I receive a refund from the Institution of any amounts paid or refinanced with the proceeds of this Loan Agreement that are not needed for costs of attendance at the Institution, I agree to prepay this loan in full or in part with such refunded amounts.

**Default and Whole Loan Due.** To the extent permitted by applicable law, I will be in default and the whole unpaid principal balance, plus accrued but unpaid interest, if any, then outstanding may become due and payable at once at your option, if (a) payment of any amount required to be paid by me has not been received by you when due; or (b) I break any of my other promises under this Loan Agreement; or (c) any bankruptcy proceeding is begun by or against me or I assign any of my assets for the benefit of my creditors; or (d) I have made any false written statement, or omitted to state a fact necessary to make the written statements which I have made not misleading in applying for the loan evidenced by this Loan Agreement; or (e) I die (each such event, a "Default").

Upon the occurrence of any Default, the Holder reserves the right to seek payment from the Student Borrower and any Co-Borrower of all or any portion of any attorneys' fees, collection agency fees and/or expenses incurred by the Holder in connection with the collection of amounts due to the Holder upon such Default (such fees and expenses to be referred to hereinafter as "Collection Costs"), to the extent permitted by applicable law. If the Holder elects to seek payment of Collection Costs, the Holder or its collection agent will so state in a written notice to the Borrower and any Co-Borrower that describes the unpaid principal balance (including deferred interest described under "Interest and Deferral" above), accrued but unpaid interest and all other amounts due to the Holder under this Loan Agreement by reason of such Default (together, the "Default Obligation") and the Collection Costs to be assessed by reason of such Default. The Student Borrower and each Co-Borrower understand and agree that Collection Costs assessed to the Student Borrower and each co-Borrower by the Holder are reasonable in light of the costs to be incurred by or on behalf of the Holder as a result of the applicable collection activities caused by a Default by the Student Borrower or any Co-Borrower, and are in addition to the unpaid principal balance and the interest accrued and unpaid pursuant to this Loan Agreement and any other amounts due under this Loan Agreement.

I hereby give my permission to any Holder, and any entity to which this Loan Agreement is referred for collection, to access my credit information from any credit reporting agency and to report my payment history to any credit reporting agency. I understand that the loan made under this Loan Agreement will appear as a debt on my credit reports provided by credit reporting agencies.

The Student Borrower and each Co-Borrower understand that if there is a payment delinquency or Default under this Loan Agreement, the Student Borrower and each Co-Borrower may receive written collection notices and/or telephone calls regarding the unpaid amount due. The Student Borrower and each Co-Borrower each hereby gives his or her consent to be contacted for such purpose, including contact by means of an automated dialing announcement device.

**Suspension or Modification.** You are not required to grant any request for a suspension or other modification of the obligation of the Student Borrower and each Co-Borrower to make payments. If any such request is granted, it shall be granted only upon such conditions as may be determined by you in your discretion.

**Impact of Agreement on Ability to Obtain Alternative Financing.** The Student Borrower and each Co-Borrower understand that the loan evidenced hereby may eliminate or reduce their ability to obtain other financial assistance for educational or other purposes.

**Change in Contact Information.** The Student Borrower and each Co-Borrower agree to notify the Authority, the Institution and the Holder in writing of any change of name, telephone number, address or email address. Failure by any of them to do so, or to respond in writing within a reasonable time to written inquiries by the Authority or the Holder or a representative or agent of either of them relating to payment of the amounts required under this

Loan Agreement or observance or performance of any other term or condition of this Loan Agreement, shall constitute a default under this Loan Agreement, to the extent permitted by applicable law.

**Use of Automated Telephone Dialing Equipment, Emails and Text Messages.** By signing this Agreement, I hereby agree that in connection with this Loan Application or for servicing my account and/or collecting amounts I may owe you may contact me using automated telephone dialing equipment or an artificial/pre-recorded voice or text message at any telephone number I provide to you, including any cell phone number. In addition, I agree that you may monitor and record telephone calls regarding my account. I agree that you may contact me at any email address I supply you regarding the originations, servicing and collections of my loan. Additionally, you may text message me at any phone or email address I provide.

**Application of Loan Proceeds.** The proceeds of the loan evidenced by this Loan Agreement shall not be applied, directly or indirectly, for any purpose other than financing the Student Borrower's cost of attendance at a not for profit degree-granting institution. By signing this Loan Agreement, each of the Student Borrower and each Co-Borrower hereby certifies that the information supplied in the loan application for the loan made under this Loan Agreement concerning the Student Borrower's state of residence and the identity and location of the Institution at which the cost of attendance financed by the loan made under this Loan Agreement have been or are being incurred is true, correct and accurate, and acknowledges that the Authority is relying on such certification in determining the Student Borrower's eligibility for the loan made under this Loan Agreement.

**Acceptance of Delinquent Installments.** The acceptance of any delinquent installment(s) shall not operate to extend the time of payment of any amount(s) then remaining unpaid or constitute a waiver of any rights or remedies. No extension of time for the payment of any amount owing under this Loan Agreement at any time shall alter the liability of the Student Borrower or any Co-Borrower.

**Documentation and Assignment.** Presentment, demand, dishonor, protest and all other demands and notices in connection with the delivery, acceptance, performance or collection of this Loan Agreement are hereby waived. This Loan Agreement is a sealed instrument. This Loan Agreement may be transferred or assigned by the Holder without the consent of the Student Borrower or any Co-Borrower, but the obligations of the Student Borrower and any Co-Borrower may not be assigned by the Student Borrower or any Co-Borrower.

**Severability and Enforceability.** If any provision hereof is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other provisions of this Loan Agreement or of this Loan Agreement as a whole.

**Choice of Law.** The Authority is located in Massachusetts, and the Authority's decision on whether to lend me money will occur in Massachusetts. Consequently, the provisions of this Loan Agreement will be governed by the law of The Commonwealth of Massachusetts, without regard to conflict of law rules.

**Limits on Discharge of Debt in Bankruptcy.** I acknowledge that the Authority's loan program is funded by a governmental unit and that this Loan Agreement is, therefore, subject to the limits on dischargeability in bankruptcy contained in Section 523(a)(8) of the United States Bankruptcy Code. That means that the debt I am assuming is not dischargeable in bankruptcy unless the exemption from discharge would cause me and my dependents "undue hardship" as this phrase would be interpreted under applicable law.

**Change in Payment Dates.** I acknowledge that you may be required to change my payment day(s) in connection with a change to a new loan servicer and that in such event, all references in this Loan Agreement to the 28th shall refer to such other day as is required. You agree to give me advance notice of any such change in days.

**Joint and Several Liability.** The Student Borrower and each Co-Borrower under this Loan Agreement is jointly and severally obligated on this Loan Agreement. This means that in the case of a default, the Holder may sue one or more of the Student Borrower and any Co-Borrower separately, or all of them together, at the Holder's option.

**Notices to Borrower.** Unless I am otherwise notified, the Authority or other Holder will send billing statements and other notices relating to this Loan Agreement to the first Co-Borrower listed above (the "Notice Borrower"). Unless I am otherwise notified or otherwise required by applicable law, the borrower listed on the annual student loan interest statement (Form 1098-E or any successor thereto) filed by us with the Internal Revenue Service, and

the recipient of the borrower copy of such statement, will be the Notice Borrower.

**Co-Borrower Liability.** The Student Borrower is obligated to repay the amounts owed under this Loan Agreement. Each Co-Borrower is obligated to repay the amounts owed under this Loan Agreement. The Authority or any other Holder is entitled to collect the amounts owed under this Loan Agreement from the Student Borrower without attempting to collect such amount from any Co-Borrower, and is entitled to collect the amounts owed under this Loan Agreement from any Co-Borrower without attempting to collect such amount from the Student Borrower or any other Borrower. The Student Borrower's and each Co-Borrower's obligations include the obligations to pay the principal and interest on the loan made under this Loan Agreement in the amounts and at the times specified herein, give notice of address and name changes, and pay collection costs to the extent permissible under the law. Neither the Authority nor any other Holder is required to send copies of any billing statements sent to the Notice Borrower to any other Borrower. If there is more than one Borrower, all parties agree that any communication between the Authority or any other Holder and any Borrower will be binding on all parties, and that all provisions of this Loan Agreement will apply to all Borrowers individually and collectively.

**[The Remainder of this Page is Left Intentionally Blank]**

I acknowledge that I have received, read and understand the provisions of this Loan Agreement, including those set forth on the front and back of all pages of this document. The applicable payment dates and other dates that are derived from the applicable payment dates may be changed to a date that matches my similar loans already in repayment with the loan servicer. My signature below both evidences such acknowledgement, including acknowledgement that the obligations of all persons signing this Loan Agreement are joint and several, and constitutes my signature on this Loan Agreement. I agree that any signature delivered by facsimile and by email will be deemed to be an original signature for all purposes, including for purposes of contract enforcement and rules of evidence in any judicial or arbitration proceeding.

**This Paragraph Applies to Loan Agreements Signed Electronically.** I understand that I am not required to sign electronically this Loan Agreement and any related notices that require signature. If I choose to sign electronically this Loan Agreement and any related notices that require signature, I intend: (i) my electronic signature to be an electronic signature under applicable federal and state law, (ii) any printout of your electronic record of this Loan Agreement and related notices to be an original document, (iii) to conduct business with you by electronic records and electronic signatures, and (iv) that this Loan Agreement will not be governed by Article 3 of the Uniform Commercial Code, and my obligations under this Loan Agreement will not be subject to, but any transfer of my obligations will be subject to, Article 9 of the Uniform Commercial Code.

**For Alabama Residents: CAUTION — IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

**For Iowa Residents: NOTICE TO CONSUMER:**

[1] Do not sign this paper before you read it.

[2] You are entitled to a copy of this paper.

[3] You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**IMPORTANT: READ BEFORE SIGNING.** The terms of this agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

**For Kansas Residents: NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.**

**For Maryland Residents: Lender elects to make this loan pursuant to Subtitle 10 (Credit Grantor Closed End Credit provisions) of Title 12 (Credit Regulations) of the Maryland Commercial Law, Md. Code Ann., Com. Law § 12-1001 *et seq.***

**For Missouri Residents: Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it. You may prepay the loan, in whole or in part, at any time. If interest has been added to the principal of the loan, the interest is subject to the refund requirements of Mo. Rev. Stat. § 408.170, if the loan is prepaid in full.**

**Loans to Missouri residents pursuant to the rate limitations of 408.030 are subject to the compounding and collection costs limitations pursuant to 408.080 and 408.092.**

**Loans to Missouri residents pursuant to 408.100 are subject to the fee limitations pursuant to 408.140.1 and interest shall not be capitalized or compounded. Acceleration of the note is subject to the notice requirements pursuant to 408.551 to 408.562.**

**For North Dakota Residents: NOTICE: MONEY BROKERS ARE LICENSED AND REGULATED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS, 2000 SCHAFFER STREET, SUITE G,**

**BISMARCK, NORTH DAKOTA 58501-1204. THE DEPARTMENT OF FINANCIAL INSTITUTIONS HAS NOT PASSED ON THE MERITS OF THE CONTRACT AND LICENSING DOES NOT CONSTITUTE AN APPROVAL OF THE TERMS OR OF THE BROKER'S ABILITY TO ARRANGE ANY LOAN. COMPLAINTS REGARDING THE SERVICES OF MONEY BROKERS SHOULD BE DIRECTED TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS.**

**For Oregon Residents: This loan is made subject to the Oregon Unlawful Trade Practices Acts, including but not limited to Oregon Revised Statutes (ORS) 646.633; 646.607; and 646.608.**

**For South Dakota Residents: Any improprieties in making this loan or in Massachusetts Educational Financing Authority's loan practices may be referred to the South Dakota Division of Banking at 1601 N. Harrison Avenue, Suite 1, Pierre, South Dakota 57501, phone number: (605) 773-3421.**

**Requests for a loan modification may be considered on a case-by-case basis. The timeframe for maturity of the loan may not be extended. To request a modification, or for more information, please call (800) 233-0557.**

**To request a refinance of this loan, please call (855) 433-7334. If we agree to refinance this loan, you will not incur any refinance-specific fees or charges.**

**For West Virginia Residents: "THIS CONTRACT IS NOT PAYABLE IN INSTALLMENTS OF EQUAL AMOUNTS. LARGER INSTALLMENTS WILL BE DUE AS FOLLOWS: Please see your Final Disclosure for estimated payment due dates and amounts."**

**For Wisconsin Residents: NOTICE TO CUSTOMER: (a) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. (b) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. (c) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.**

**For Wisconsin Residents: For married Wisconsin residents, Borrower's signature confirms that this loan obligation is being incurred in the interest of Borrower's marriage or family. No provision of any marital property agreement (pre-marital agreement), unilateral statement under § 766.59 of the Wisconsin statutes or court decree under § 766.70 adversely affects Authority's interest unless, prior to the time that the loan is approved, Authority is furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. If this loan for which Borrower is applying is granted, Borrower will notify Authority if Borrower has a spouse who needs to receive notification that credit has been extended to Borrower.**

**DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT IN ITS ENTIRETY, INCLUDING THE NOTICES TO COSIGNER.**

\_\_\_\_\_  
Student Borrower:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower (Notice Borrower):

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Borrower:

\_\_\_\_\_  
Date

## **NOTICES FOR COSIGNERS**

### **IOWA NOTICE TO COSIGNER:**

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

### **IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY**

Name of Debtor: The Notice Borrower

Name of Creditor: MEFA

Date: The date of disbursement

Kind of Debt: Education loan

Total of Payments: The total of payments will be disclosed in the Final Truth-in-Lending Disclosure you will receive prior to the loan disbursement, and it will include the principal loan amount (which will not be greater than the Loan Amount Requested) and accrued interest.

### **WEST VIRGINIA NOTICE TO COSIGNER:**

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay it if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, the fact may become a part of your credit record.