

HINSON-HAZLEWOOD COLLEGE STUDENT LOAN PROGRAM
FUTURE OCCUPATIONS & RESKILLING WORKFORCE
ADVANCEMENT TO REACH DEMAND (FORWARD) LOAN
PAYMENT GUARANTY & PROMISSORY NOTE

Borrower's Information:

1. Borrower's Last Name	First Name	M.I.	2. Borrower's Application Number (CLUID)
3. Borrower Requested Amount			
\$			

Guarantor's Personal Information:

4. Payment Guarantor's Last Name	First Name	M.I.	5. Social Security Number
6. Guarantor's Mailing Address		City	State
			Zip Code
7. Phone Number	8a. Driver's License Number	8b. State of Issuance	9. Guarantor's Date of Birth (mm/dd/yyyy)
10. U.S. Citizen Status (check one) (a) U.S. Citizen (b) U.S. Permanent Resident <i>(If (b) is checked, proceed to #11)</i>	11. U.S. Permanent Resident <i>if you are a permanent resident, you must attach a recent copy of your I-551 or I-551 (*green card*) and enter your country of citizenship and your registration number.</i> COUNTRY:		REGISTRATION NUMBER:
12. Guarantor's Employer's Name			13. Employer's Phone Number
14. Are You Retired? <i>If yes, complete #15</i> <input type="checkbox"/> Yes <input type="checkbox"/> No	15. Source of Income <i>if you are not employed, what is your source of income?</i>		16. Guarantor's Relationship to Student

Payment Guaranty:

- 1) In consideration of the extension of this loan to the Borrower, I agree that, if the loan is not paid promptly when due for any reason other than death or permanent and total disability of the Borrower, I will immediately pay all sums due under this promissory note to the Texas Higher Education Coordinating Board (THECB), including any court costs and attorney fees awarded in litigation against either or both of us.
- 2) I understand and agree that this is a guaranty of payment and not of collection. I have no right to require that any legal action be brought against the Borrower.
- 3) I agree to provide the THECB information on the whereabouts and assets and income of the Borrower, if known to me.
- 4) I agree to notify the THECB of any change in my address.
- 5) I understand that I am not eligible for any postponements or reductions in payment, and I understand that the note will be accelerated upon the occurrence of any of the events enumerated in the Terms and Notices.
- 6) I waive notification of any extensions or modifications of payment agreements made between the Borrower and the THECB.
- 7) I certify I am not more than 30 days delinquent in paying any child support owed. (Texas Family Code Section 231.006)
- 8) I am aware of and agree to the THECB's application of payments made by the Borrower, as described in the Terms and Notices. By signing below, I acknowledge that I have read, understand and agree to all terms and conditions of this promissory note set forth herein and/or in the Terms and Notices I accepted online at www.hhloans.com.

NOTICE TO PAYMENT GUARANTOR

You are being asked to guarantee this debt. Think carefully before you do. If the borrower does not pay the debt, you will have to. Be sure you can afford 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, collection costs, and attorney fees, which increase this amount.

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

Payment Guarantor's Signature _____ Date ____/____/____

Warning: Any person who knowingly makes a false statement or misrepresentation on this form is subject to penalties which may include fines, imprisonment, or both, under the United States Criminal Code and 20 U.S.C. 1097

If you signed this document electronically, retain a copy for your records. If you did not sign electronically, please use a ballpoint pen to sign your legal name and date your signature. Completed Application/Promissory Notes and Payment Guaranty/Promissory Notes not signed electronically must be sent to:

Texas Higher Education Coordinating Board
Student Financial Aid Programs
PO Box 12788
Austin, Texas 78711-2788

TERMS AND NOTICES

This is an Addendum to the Future Occupations & Reskilling Workforce Advancement to Reach Demand (FORWARD) Loan Application & Promissory Note signed by the borrower of the FORWARD Loan. This section summarizes some of the major terms and conditions of the loan made to the borrower.

A. Eligible High-Demand Credentials: I understand that the Coordinating Board determines which high-demand credentials are eligible for loans under this Program, in consultation with the Texas Workforce Commission, Texas Workforce Investment Council, and the Governor's Office of Economic Development and Tourism or their delegates. Eligible credentials are reassessed at least annually. If the eligible credential I am enrolled in during the period of enrollment for which this loan applies is subsequently deemed ineligible, I may continue to be eligible for this Program if I meet certain requirements.

B. Loan Amount and Disbursements: The loan amount will be either the amount I requested, or the amount certified by my institution or entity, whichever is less, unless either of these amounts causes me to exceed the maximum annual or aggregate loan limits. The entire sum may not be disbursed to me at once, and if not, disbursements will discontinue if I cease to meet any of the eligibility requirements. I may cancel or reduce my loan amount prior to the issuance of any loan disbursement, if applicable. Funds are transferred electronically and will be transmitted directly to my institution or entity. The proceeds of this loan must be used only for educational expenses at the institution or entity identified on the Promissory Note. I will return the funds to the THECB, and my debt will be reduced accordingly if I cease to be enrolled at least half time or if I receive additional financial aid. The maximum aggregate loan amount I may receive will take into account the definition of manageable debt under THECB's Long-Range Master Plan for Higher Education.

C. Origination Fee: The origination fee rate for my loan will be 0%.

D. Interest Rate: The interest rate will be the fixed rate shown in the Disclosure Statement.

E. Repayment: I will repay the total amount due in monthly installments in accordance with the Repayment Schedule described in Item 4 of the Promissory Note, which may include all loans I have received from the THECB under the FORWARD Loan Program. The repayment schedule will be incorporated into the Promissory Note. Payments will be applied to any outstanding late charges, collection costs, and interest charges that have accrued to the loan before principal is credited. At my option, I may agree to a repayment period that is fewer than 10 years. My monthly repayment amount will be calculated annually based on my income, as demonstrated through federal income tax returns or acceptable documentation; my monthly accrued interest on loans through this Program; and my cumulative outstanding student loan principal balance.

F. Consumer Reporting Agency Review: I agree that the THECB may access my consumer reporting agency records (credit history) on an annual basis to review my cumulative outstanding student loan principal balance, which will be used in determining my monthly payment amount as indicated in item E above.

G. Prepayment: I may, at my option and without penalty, prepay all or part of the principal or accrued interest before such payment is due as long as the payment is credited as indicated in item E above.

H. Forbearance: Under certain circumstances I may be eligible for forbearance in the form of a postponement or a reduction of monthly payments. I will provide to the THECB appropriate

documentation supporting any request for forbearance. Interest will accrue during periods of forbearance. I may be automatically placed in forbearance when my demonstrated income is below a threshold established by the THECB staff in consultation with the Texas Workforce Commission.

I. Collection Charges: I agree to pay the THECB late charges, skip-tracing fees, court costs, attorney's fees, returned check fees and other charges which the THECB incurs in collecting any amount I owe under the Promissory Note which is not paid when due. If any payment has not reached the THECB within 20 days after its due date, the THECB will assess a late charge at the rate of \$5.00 or 5% of the payment, whichever is less.

J. Rights and Considerations: (1) The THECB makes no representations regarding the quality of the institution I have selected, or the appropriateness of any program of study for my educational or career plans. In choosing an institution or entity, I must consider carefully academic and other information provided by the institution or entity. (2) It is my responsibility to keep the THECB apprised of my current name, address, enrollment status, or any other event affecting the discharge of my responsibilities under the conditions of the Promissory Note, including these Terms and Notices. Any notice, other than service of process, that is required by law to be given to me will be effective when sent by first class mail or by electronic mail to the latest address the THECB has on file for me. It shall be no defense that I did not receive any notices so addressed. (3) the THECB's failure to enforce or to insist that I comply with any terms of the Promissory Note is not a waiver of the THECB's rights. No alterations can be made to the Promissory Note. No provision of the Repayment Schedule and Disclosure Statement can be waived or modified except by writing, signed by the party or a representative of the party against whom the modification is offered as a defense. (4) I must repay this loan even though I may have been fewer than 18 years of age when I signed this note. (5) My loan will be cancelled if I die or become totally or permanently disabled as defined in the rules and regulations of the Texas Higher Education Coordinating Board, Chapter 22, Subchapter J. In such case, my cosigner's obligation is also cancelled. However, death or disability of the cosigner(s) does not cancel my debt.

K. Consumer Reporting Agency Notification: The THECB will report the status of this loan to any of the consumer reporting agencies (credit bureau organizations) during the life of the loan. If my cosigner and I become delinquent or default, this may significantly and adversely affect our credit ratings.

L. State Warrant Hold: If my account becomes delinquent in payments as scheduled, the State of Texas may withhold the issuance of certain state funds, including further funds for state student financial aid, until the delinquency is remedied.

M. Privacy Notices:

(1) Privacy Act of 1974 (5 USC 552a): Certain information required on the application is made confidential by the Privacy Act of 1974 (5 USC 552a); nevertheless, the requested information is necessary for participation in the Hinson-Hazlewood College Student Loan Program, to verify your identity and to determine your eligibility for the program and for any benefits from it. The Privacy Act provides that an agency may continue to require disclosure of an applicant's Social Security Number (SSN) as a condition for the granting of a right, benefit, or privilege if the agency required this

disclosure prior to January 1975. The Texas Higher Education Coordinating Board has, for years prior to 1975, required the disclosure of the SSN of all applicants for the programs that it administers. The SSN will be used to verify your identity and as an account number (identifier) throughout the life of the loan, in order to make certain that THECB records necessary data accurately. As an identifier, the SSN is used in such program activities as determining program eligibility, certifying attendance and student status, determining eligibility for deferment of repayment, determining disability and death, and for locating borrowers and their assets in cases of delinquent or defaulted loans.

(2) Texas Government Code, Section 559.003(a): With few exceptions, you are entitled upon request to be informed about the information the THECB collects about you. Under Sections 552.021 and 552.023 of the Government Code, you are entitled to receive and review the information. The information that the Texas Higher Education Coordinating Board collects will be retained and maintained as required by Texas record retention laws (Texas Government Code, Section 441.180 et seq.) and rules. Different types of information are kept for different periods of time. Under Section 559.004 of the Government Code, you are entitled to have THECB correct information about you that is incorrect. You may do so by writing to Student Financial Aid Programs, Borrower Services, PO Box 12788, Austin, Texas 78711-2788.