

COMMONWEALTH OF VIRGINIA
Tobacco Region Loan Forgiveness Program
Southwest Virginia Higher Education Center
P.O. Box 1987
Abingdon, Virginia 24212

MASTER PROMISSORY NOTE

Maker: _____

Lender: **Tobacco Region Revitalization Commission**

Servicer: **Southwest Virginia Higher Education Center**

Promise to Pay

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, I _____ (“Maker”) promise to pay to the Southwest Virginia Higher Education Center (“Servicer”) all amounts disbursed under the terms of this Master Promissory Note and advanced on my behalf to the Educational Institution(s) named in the attached addendums, and all other charges, including any interest, late fees, attorney’s fees, and collection costs, that may become due in accordance with the terms of this note.

I hereby certify that I have established domicile in the Commonwealth of Virginia as domicile is defined in Virginia Code § 23.1-500, and am attending the baccalaureate institution of higher education identified above.

1. **Repayment:** Maker agrees to repay the total loan amount of all disbursements made under the terms of this Master Promissory Note, plus interest at the rate of six percent (6%) per annum from the date on which repayment begins in accordance with the terms of this note. Repayment shall begin and the first payment shall be due on the first day of the thirteenth month following the date on which Maker is no longer enrolled in qualifying courses at a minimum of nine (9) credit hours per semester at a baccalaureate institution of higher education. Repayment will be in monthly installments in the amount necessary to pay the principal and interest in full within ten (10) years from the date the first payment is due, and in the minimum principal amount \$100.00 per month plus accrued interest. For any monthly installments not received by the Servicer within five calendar days of the due date, a late charge in the amount of five percent (5%) of the payment amount will be assessed. All payments received under this note shall be applied in the following order: (1) late fees, (2) accrued interest, (3) principal. **Payments made to the Tobacco Region Loan Forgiveness Program will not be refunded, except as required by law.**
2. **Acceleration:** If any monthly installment is not received by the Servicer within thirty (30) days of its due date, the Servicer may declare the loan in default and may immediately accelerate the maturity of all installments thereafter to become due, in which event the entire unpaid balance of this note shall become immediately due and payable without demand or notice.
3. **Default:** If the Servicer declares this loan in default and refers the loan to the Office of the Attorney General of Virginia, Division of Debt Collection for collection, Maker agrees to pay attorney’s fees of 30% of the entire amount due on the note. Maker agrees that any claim, dispute, or default that may arise out of the collection of this note shall be adjudicated in the General District Court of the City of Richmond, Virginia or the Circuit Court of the City of Richmond, Virginia. The waiver of any default by the Servicer shall not be construed as a waiver of any subsequent default.
4. Maker hereby intends to legally bind himself, his heirs, executors, administrators, and assigns. Maker waives homestead, presentment, demand, protest and notices of dishonor and protest, and all other exemptions which may legally be waived with regard to the obligation evidenced by this note.

5. **Forgiveness:** The Maker's entire obligation under this note will be forgiven by the Servicer after the Maker proves, to the Servicer's satisfaction, that the Maker has received a degree from a baccalaureate institution of higher education and has completed not less than one consecutive year of full-time employment (30 hours or greater per week) for each academic year of disbursements received under the terms of this note in one of the following Virginia jurisdictions comprising the Tobacco Region: Counties of Amelia, Appomattox, Bedford, Bland, Brunswick, Buchanan, Buckingham, Campbell, Carroll, Charlotte, Cumberland, Dickenson, Dinwiddie, Floyd, Franklin, Grayson, Greensville, Halifax, Henry, Lee, Lunenburg, Mecklenburg, Nottoway, Patrick, Pittsylvania, Prince Edward, Russell, Scott, Smyth, Sussex, Tazewell, Washington, Wise, Wythe, and the Cities of Bedford, Bristol, Danville, Emporia, Galax, Martinsville, and Norton. In order to qualify for forgiveness, Maker must obtain full-time employment (30 hours or greater per week) within the Tobacco Region as described above within 12 months of graduation from the baccalaureate institution of higher education.

Maker is also eligible for forgiveness by demonstrating that the Maker has been a permanent resident for not less than one consecutive year for each academic year of disbursements received under the terms of this note within the Tobacco Region, as described above, and has maintained full-time employment (30 hours or greater per week) for not less than one consecutive year for each academic year of disbursements in any jurisdiction. In order to qualify for forgiveness, Maker must become a permanent resident within the Tobacco Region, as described above, and obtain full-time employment (30 hours or greater per week) within 12 months of graduation from the baccalaureate institution of higher education.

In the event that Maker seeks forgiveness of all or a portion of this note, Maker agrees to notify the Servicer as to the name and dress of Maker's employer until the total obligation set forth herein is satisfied. Determination of qualifying employers shall be at the Servicer's sole discretion. Forgiveness requests shall be made in writing and mailed, along with the employer's information, to the Servicer at the above address.

6. **Deferment:** In the event that Maker is enrolled in a minimum of nine (9) credit hours per semester in an accredited graduate or professional degree program within twelve (12) months of receipt of a degree from a baccalaureate institution of higher education, Maker may request a deferment of the repayment period from the Servicer, in writing, mailed to the Servicer at the above address. The deferment period shall not exceed three (3) years. If a deferment is granted, repayment will begin on the first day of the seventh month following the date on which Maker is no longer enrolled in a minimum of nine (9) credit hours per semester in a qualifying graduate or professional degree program, or the end of the three year maximum deferment period. Interest will not accrue during the deferment period.
7. **Forbearance:** If Maker develops health problems that impede his/her ability to work, Maker may petition the Servicer to grant, in its sole discretion, a repayment forbearance for a period not to exceed eighteen (18) months. During any period of such forbearance, interest will continue to accrue. Forbearance requests shall be made in writing and mailed to the Servicer at the above address.
8. **Discharge:** If Maker becomes totally and permanently disabled and is unable to work, Maker may petition the Servicer, in its sole discretion, to discharge Maker's repayment obligations under this note. Maker must prove total and permanent disability by providing (1) Social Security Administration (SSA) notice of award for SSDI or SSI benefits, or (2) written certification from a licensed physician that Maker is totally and permanently disabled and unable to engage in any gainful activity by reason of a medically determinable physical or mental impairment. Discharge requests shall be made in writing and mailed, along with the required supporting documentation, to the Servicer at the above address.
9. Maker agrees to answer promptly all communications from the Servicer pertaining to this note and agrees to notify the Servicer in writing within ten (10) business days if:
- Maker leaves the educational institution for any reason
 - Maker is no longer enrolled in a minimum of nine (9) credit hours per semester
 - Maker's mailing address changes
 - Maker's legal name changes from that set forth in this note

Failure to communicate any of the above information to the Servicer within ten (10) business days shall constitute an event of default under the terms of this note.

10. Maker hereby authorizes the educational institution to provide to the Servicer, upon request, information regarding Maker's student status, dates of attendance, graduation, withdrawal, or address.
11. All references herein to the Servicer shall include any subsequent holder or assignee of this note. Any endorsers, guarantor, or co-maker of this note shall be bound by all of its provisions to the same extent as the Maker.
12. The terms and conditions of this note shall be construed consistent with the requirements of the Tobacco Region Loan Forgiveness Program operated by the Servicer.
13. This note is governed by and shall be construed in accordance with the laws of the Commonwealth of Virginia.

BY SIGNING BELOW I INDICATE THAT I HAVE READ AND UNDERSTAND THE TERMS OF THIS NOTE. I AM ENTITLED TO AN EXACT COPY OF THIS NOTE AND ANY AGREEMENT I SIGN IN FURTHERANCE OF SAME. BY SIGNING THIS NOTE, I ACKNOWLEDGE THAT IT CONTAINS NO BLANK SPACES AND THAT I HAVE RECEIVED A COPY THEREOF. I HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS NOTE WITHOUT PENALTY.

_____ Date: _____
Maker (signature)

Print Name: _____

Address: _____

Phone Number: _____ Social Security Number: _____

_____ Date: _____
Co-Maker (signature)

Print Name: _____

Address: _____

Phone Number: _____ Social Security Number: _____

I UNDERSTAND THAT IF I AM UNDER AGE 21, I MUST HAVE A CO-MAKER'S SIGNATURE.

**COMMONWEALTH OF VIRGINIA
Tobacco Region Loan Forgiveness Program
Southwest Virginia Higher Education Center
P.O. Box 1987
Abingdon, Virginia 24212**

**DISBURSEMENT ADDENDUM
TO MASTER PROMISSORY NOTE**

Maker: _____

Lender: **Tobacco Region Revitalization Commission**

Servicer: **Southwest Virginia Higher Education Center**

Amount: _____ (disbursed \$ _____ Fall; \$ _____ Spring)

Academic Year: _____

This Disbursement Addendum to Master Promissory Note is made this ____ day of _____, 20____, and is incorporated into and shall be deemed to amend and supplement the Master Promissory Note entered into by _____ (“Maker”) and the Southwest Virginia Higher Education Center (“Servicer”) on the ____ day of _____, 20____.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, I _____ (“Maker”) promise to pay to the Southwest Virginia Higher Education Center (“Servicer”) the sum of \$ _____ according to the terms of the Master Promissory Note and advanced on my behalf to _____ (Educational Institution) and all other charges, including any interest, late fees, attorney’s fees, and collection costs, that may become due in accordance with the terms of the Master Promissory Note.

BY SIGNING BELOW I INDICATE THAT I HAVE READ AND UNDERSTAND THE TERMS OF THIS DISBURSEMENT ADDENDUM. I AM ENTITLED TO AN EXACT COPY OF THIS ADDENDUM AND ANY AGREEMENT I SIGN IN FURTHERANCE OF SAME. BY SIGNING THIS ADDENDUM, I ACKNOWLEDGE THAT IT CONTAINS NO BLANK SPACES AND THAT I HAVE RECEIVED A COPY THEREOF. I HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS ADDENDUM WITHOUT PENALTY.

_____ Date: _____

Maker (signature)

Print Name: _____

Address: _____

Phone Number: _____ Social Security Number: _____

_____ Date: _____

Co-Maker (signature)

Print Name: _____

Address: _____

Phone Number: _____ Social Security Number: _____

I UNDERSTAND THAT IF I AM UNDER AGE 21, I MUST HAVE A CO-MAKER’S SIGNATURE.