

**Kaiser Permanente Student Financial Aid Program
 MASTER OF SCIENCE IN COUNSELING
 Loan Disclosure Information**

Amount Financed:

The amount financed will be made available by check payable to the recipient, also known as the Borrower.

Interest.

Borrower promises to pay interest on the Loan at an annual simple interest rate of ten percent (10%). Interest will begin to accrue on unpaid principal on the first (1st) day of the seventh (7th) full calendar month after the earliest to occur as follows: (a) Date Borrower graduates from a Qualifying course of Study; (B) Date Borrower fails to comply with any Satisfactory Academic and Clinical Progress requirement described in the Addendum; or (C) Date Borrower ceases to be enrolled in a Qualifying course of study (such earlier date, the "Repayment Date." Notwithstanding the foregoing, interest shall not accrue during period(s) that Borrower is on disability or parental leave from Qualifying Employment (as described in the Addendum) in accordance with the employer's normal personnel policies. Interest shall be calculated on the basis of twelve (12) thirty (30)-day months for the entire duration of a term of sixty-four (64) months (the "Term"), subject to paragraph 8 of the loan agreement.

FEDERAL TRUTH IN LENDING DISCLOSURE:

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Number of Payments:	Monthly Payment Amount:
The cost of your credit as a yearly rate. 10%	The dollar amount the credit will cost you. \$7,358.07	The amount of credit provided to you or on your behalf. \$25,000	The amount you will have paid after you have made all scheduled payments. \$32,358.07	64	\$505.59

Repayment begins as stated in the above paragraph titled, 'Interest.'

LOAN FORGIVENESS:

The Borrower/recipient is not required to repay the loan and accrued interest thereon if Borrower/Recipient:

1. completes the Qualifying Course of Study
2. complies at all times with the Satisfactory Academic and Clinical Progress requirements described above
3. obtains and maintains qualified employment, with Lender or a Lender-affiliated entity within Northern California after completion of the Qualifying Course of Study
 - a. as a "regular employee" who qualifies for all employee fringe benefits
 - b. works a minimum of thirty-two (32) hours per week at a Northern California Kaiser Permanente lender facility ("Qualifying Employment")
 - c. is in a position in the degree specialty for which the loan was received

If above are met, the Lender will forgive the loan and accrued interest thereon at a rate of Three Hundred Ninety and .63/100 Dollars (\$390.63) per month, for a total of up to Four Thousand Six Hundred Eighty-Seven and .50/100 Dollars (\$4,687.50) per year. The following example shows how the loan is reduced due to loan forgiveness (the example is for illustration purposes only):

ASSUMED FACTS: Loan amount is \$25,000.00 and provided Borrower has obtained Qualifying Employment as a regular employee after graduation from a Qualifying Course of Study. Loan repayment is effective immediately upon recipient not meeting loan forgiveness requirements.

<u>Period of Qualifying Employment Completed</u>	<u>Amount of Loan Forgiven</u>	<u>Principal Balance of Loan</u>
After 6 Months	2,343.75	22,656.25
After 12 Months	4,687.50	20,312.50
After 18 Months	7,031.25	17,968.75
After 24 Months	9,375.00	15,625.00
After 30 Months	11,718.75	13,281.25
After 36 Months	14,062.50	10,937.50
After 42 Months	16,406.25	8,593.75
After 48 Months	18,750.00	6,250.00
After 54 Months	21,093.75	3,906.25
After 60 Months	23,437.50	1,562.50
After 64 Months	25,000.00	-

Repayment:

Borrower promises to repay the loan by making sixty-four (64) equal monthly installments of principal and interest on the first (1st) day of each month beginning on the Repayment Date until the Loan is repaid in full beginning with the month following expiration of the 6-month grace period (the "Maturity Date"). If the recipient does not obtain employment with a Lender-affiliated entity in Northern California (see Forgiveness) the loan will go into repayment.

Unless the recipient contacts Kaiser Permanente Student Financial Aid Program before the end of the 6-month period, it is agreed upon in writing that the loan can be prepaid without penalty or repaid over a shorter period, the period of time required to repay the loan will depend upon the total amount owed to Lender on the loan and all other loans the Lender has made to the recipient; provided, the recipient has not become an employee of the Lender or Lender-affiliate entity within the 6-month grace period.

If the total amount owed is:

Not more than \$25,000 - not more than 64 months to repay

Late Fees:

To the extent allowed by law, the Lender will charge a late fee if the scheduled installment payment is not received within 10 days after it is due. The charge for any single late installment will be \$25.

Right to Accelerate.

Lender may, at its sole discretion, accelerate the date for payment of the loan and any other amounts owed by Borrower under this Agreement or the Note and demand immediate and full payment thereof if:

1. Borrower fails to make any payment required under the Note or this Agreement
2. Borrower fails to comply with any Satisfactory Academic and Clinical Progress requirement described in the Addendum
3. Borrower ceases to be enrolled in a Qualifying course of Study
4. Borrower fails to comply with any other term, covenant or agreement with the Loan Agreement, the Note or the Addendum.

Upon the occurrence of any of the preceding events and at any time thereafter so long as the same shall be continuing, the Lender may elect, in its sole discretion, to proceed to protect and enforce all or any of Lender's rights or remedies hereunder by appropriate proceedings or exercise any other right or remedy available to Lender at law or in equity.

Default:

If any one or more of the following events occur, the loan is considered in default:

1. Failing to make any payment due, including payment of late charges
2. Making any representation in connection with obtaining the loan from the Lender knowing that representation was false
3. Using loan proceeds for other than the educational purposes described by the Lender
4. Failing to enroll in the school indicated to the Lender
5. Failing immediately to notify the Lender if recipient:
 - a. Ceases to be a full-time student
 - b. Changes graduation date
 - c. Changes name
 - d. Changes address

When the recipient defaults, the Lender may declare the following amounts immediately due and payable:

1. The entire unpaid principal balance of the Promissory Note
2. The entire amount of unpaid interest on the Promissory Note
3. Late charges
4. To the extent allows by law, all costs of collection, including reasonable attorneys' fees

Declaring these amounts immediately due and payable is the option of the Lender, which it may do only after complying with applicable notice and other requirements of law. A decision by the Lender not to exercise this option does not constitute a waiver of the Lender's right to exercise the option at a later date.