I (herein called the borrower) promise to pay the Regents of the University of California (herein called the Lending Institution) located at San Francisco County, California, the sum of the amounts that are advanced to me under the terms of this Master Promissory Note (hereinafter called the Note), plus interest and other fees which may become due as provided in this Note. I understand that multiple loans may be made to me under this Note. I understand that by accepting any disbursements issued at any time under this Note, I agree to repay the loans. I understand that each loan is separately enforceable based on a true and exact copy of this Note. If I fail to make any payment when due on any loan under this Note, I promise to pay all reasonable collection costs, including attorney’s fees, court costs, and other costs and charges necessary for the collection of any amount not paid when due.

TERMS AND CONDITIONS

I further understand and agree that:

I. REPAYMENT:
   A. Interest shall accrue from the beginning of the repayment period and shall be at the ANNUAL PERCENTAGE RATE OF FIVE PERCENT (5%) on the unpaid balance except that no interest shall accrue during any period described in paragraph II. C. 1., 2., and 3.
   B. I promise to repay the principal, and the interest which accrues on it, over a period beginning 6 months after the date I cease to be at least a half-time student at an institution of higher education, unless paragraph II. C. applies 10 years later. I may, however, request that the repayment period start on an earlier date.
   C. If the repayment schedule established under paragraph I. B. provides for repayment of principal and interest at a rate less than $90 per quarter, I shall repay the total amount of this loan plus the interest thereon at the rate of $90 per quarter.
   D. Notwithstanding the rate of interest stipulated in this Note, the rate of interest chargeable after a breach will be FIVE percent per annum.

II. This note is also subject to the following conditions:
   A. PREPAYMENT: I may at my option and without penalty prepay all or any part of the principal, plus the accrued interest thereon, at anytime. Amounts I repay in the academic year in which the loan was made will be used to reduce the amount of the loan and will not be considered a prepayment. If I repay more than the amount due for any repayment period, the excess will be used to prepay the principal unless I designate it as an advance payment of the next regular installment.
   B. DEFAULT: If I fail to meet a scheduled repayment of any installment, the entire unpaid indebtedness including interest due and accrued thereon, plus any applicable penalty charges, will, at the option of the Lending Institution, become immediately due and payable. The Lending Institution shall not be under any obligation to accept or process any requests for deferment filed after the debt has been declared due and payable under this provision.
   C. DEFERMENT: Interest will not accrue, and installments need not be paid:
      1. While I am enrolled and in attendance as at least a half-time student at an institution of higher education or at a comparable institution outside the United States approved for this purpose by the Lending Institution, or
      2. For a period not in excess of 3 years during which I am:
         a. On full-time active duty as a member of the Armed Forces of the United States (Army, Navy, Air Force, Marine Corps, or Coast Guard);
         b. In service as a Volunteer under the Peace Corps Act;
This loan has been made to me without security or endorsement. My signature certifies I have read, and agree to the terms and conditions or hereafter applicable to the indebtedness evidenced by this Note.

Pursuant to the Federal Privacy Act of 1974, you are hereby notified that disclosure of your social security number is mandatory. This record-keeping system was established prior to January 1, 1975, pursuant to the authority of The Regents of the University of California under Art. IX, Sec. 9 of the California Constitution. The social security number is used to verify your identity.

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Co-Maker, Endorser, or Guarantor must be at least 18 years of age.

Caveat- This Note is to be executed without security and without endorsement, except that if I am a minor* and this Note would not, under the law of the State in which the Lending Institution is located, create a binding obligation, either security or endorsement may be required. The Lending Institution shall supply a copy of this Note to me.

*Note: A minor is a person who is less than 18 years of age.

University Address________________________________________________________________________________

Permanent Address________________________________________________________________________________

Signature__________________________________________________________________   Date__________  20____

Notice to Borrower, Co-Maker, Endorser, or Guarantor, if any:

Pursuant to the Federal Privacy Act of 1974, you are hereby notified that disclosure of your social security number is mandatory. This record-keeping system was established prior to January 1, 1975, pursuant to the authority of The Regents of the University of California under Art. IX, Sec. 9 of the California Constitution. The social security number is used to verify your identity.

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