GSFA | Georgia Student Finance Authority

Georgia National Guard Service Cancelable Loan Application and Promissory Note 2019 - 2020

Please keep the application and Promissory Note together as one document. Read the Promissory Note and have it notarized. Submit application to the Georgia National Guard for member certification and then submit to the financial aid office at the postsecondary institution. Supplemental documentation may be required by the institution or Georgia Student Finance Authority to support or verify a student's application. Applications are processed based on availability of funds.

Part A – To be completed by Applicant (blue or black ink only)

Georgia National Guard Membership (check and complete one)

❑ Army National Guard Unit: ❑ Air National Guard Unit:

1. Last Name, First Name, Middle Initial		
2. Date of Birth	3. SSN	4. Area Code and Phone
5. Permanent Home Address (must be street address)		
6. City	7. State	8. Zip Code
9. County of Residence	10. Email	

11. Citizenship Status (check one) ❑ U.S. Citizen ❑ Permanent Resident Alien ❑ Other

12. List two (2) references that live at two separate addresses and do not live at your permanent home address.

Name	Address	Area Code and Phone
A. Relationship		
B. Relationship		

Student Certification and Authorization

I hereby certify to the Georgia Student Finance Authority (GSFA) and the Georgia National Guard Service Cancelable Loan Program that, (a) I have carefully read the information in this application and Promissory Note; (b) I understand that I have a legal obligation to repay the scholarship loan by service or, if applicable, to repay in cash with interest; (c) I must complete a renewal application to be considered for annual renewal of funds; (d) the information reported on this application and on any other document or writing furnished in connection with this application for a Georgia National Guard Service Cancelable Loan is or will be true, correct, and complete to the best of my knowledge; (e) I authorize release and exchange of information between GSFA, Georgia National Guard Service Cancelable Loan Program, educational institutions, and State and Federal agencies from which student financial assistance is sought or obtained by me, and agree that such information exchanged may include financial, enrollment, academic status, and location information necessary to assure proper administration of student aid programs by State, Federal, and institutional program administrators; (f) I meet Selective Service requirements; (g) I am not obligated to pay a refund on any grant or scholarship previously received under any State of Georgia or Federal program for attendance at any postsecondary educational institution; and (h) I am not in default on any loan and do not owe a balance on a previously defaulted student loan obtained under any State of Georgia or Federal program for attendance at any postsecondary educational institution.

13. Student Signature	14. Date

GSFA | Georgia Student Finance Authority

Georgia National Guard Service Cancelable Loan Application and Promissory Note 2019 - 2020

Part B – To be completed by Georgia National Guard Official

Complete items 15-19.

Applicant is a member, in good standing, of the Georgia Army or Air National Guard and is eligible for the Georgia National Guard Service Cancelable Loan.

Georgia National Guard Certification

I certify that the above is true, correct, and complete to the best of my knowledge and belief.

15. _____ Name of Supervising Officer

16. _____ Signature of Supervising Officer

17. _____ Title

18. _____ Area Code and Phone Number

19. _____ Date

Part C – To be completed by Financial Aid Official

Please confirm the application is complete. Return to the student if it is incomplete. Otherwise, complete items 20-32 and mail the original application and Promissory Note to:

Georgia Student Finance Authority
2082 East Exchange Place
Tucker, GA 30084

20. Postsecondary Institution Name _____ Federal School Code _____

21. Enrollment Period	22. Enrollment Status	23. Is the student eligible to receive any non-repayable aid designated as tuition for the academic year?
❑ Fall ❑ Winter ❑ Spring	❑ Half-Time (6 – 11 hours) ❑ Full-Time (12+ hours)	❑ Yes ❑ No Name _____ Amount $ _____
24. Type of Program ❑ Certificate/Diploma ❑ Associate/Bachelor ❑ Graduate	25. Number of Enrolled Hours 26. Hourly Tuition Rate	27. Estimated Cost of Attendance for Enrollment Period (Tuition only) $ _____ ❑ Semester ❑ Quarter

Financial Aid Certification

I certify that the above is true, correct, and complete to the best of my knowledge and belief. This student (a) is a U.S. citizen or eligible Permanent Resident Alien; (b) is enrolled or accepted for enrollment at least half-time at the undergraduate level; and (c) is making satisfactory progress in accordance with the standards and practices of the institution and the regulations and practices which govern the Georgia National Guard Service Cancelable Loan Program.

28. _____ Name of Authorized School Official (please print)

29. _____ Signature of Authorized School Official

30. _____ Title

31. _____ Area Code and Phone Number

32. _____ Date

GSFA | Georgia Student Finance Authority

Georgia National Guard Service Cancelable Loan Application and Promissory Note 2019 - 2020

LENDER Georgia Student Finance Authority 2082 East Exchange Place Tucker, GA 30084	**BORROWER** *(Print your name and permanent address including county. No post office boxes.)*
LOAN PERIOD: _____to _____	**INSTITUTION:** (School Name / School Code)

I, (Name) _____. (SSN)_____ the undersigned student enrolled or accepted for enrollment *(hereinafter referred to as "Borrower")* in a University System of Georgia (USG) or Technical College System of Georgia (TCSG) institution, and recipient of a Georgia National Guard Service Cancelable Loan (Loan) pursuant to O.C.G.A §§ 20-3-374 et seq. *(hereinafter called "Act", which is by reference incorporated into and made a part of this note)* understand and agree the note represents a service repayable loan that shall automatically convert to a cash repayable loan upon loss of service eligibility, failure to complete military service for and under the prescribed timeframe, or noncompliance with any program requirements as established and determined by GSFA.

PROMISE TO PAY

I, therefore, PROMISE TO PAY the GEORGIA STUDENT FINANCE AUTHORITY (GSFA), its successor(s) or assign(s) in interests (hereinafter called "Holder"), the sum of __(dollar amount)__, $_____, TO THE EXTENT SUCH SUM IS ADVANCED TO ME, plus simple interest and any additional amounts that may be applied to the loan.

Interest shall calculate and accrue at the rate prescribed, published, established by GSFA, and in effect as of the date of execution of this agreement. Interest shall accrue from the date borrower's participation in Georgia National Guard Service Cancelable Loan Program (GNG, unless applicable or revised law or regulation governing the program expressly effects a new rate on loans made prior to enactment, and said rate is expressly adopted by GSFA. Interest shall not accrue during documented, approved, and eligible periods of service repayment, as determined by GSFA. However, interest shall accrue during periods of cash repayment at the prescribed rate.

This Promissory Note ("Note") evidences a service or cash repayment obligation arising from and in consideration of the disbursement of a Georgia National Guard Service Cancelable Loan ("Loan") from GSFA to Borrower. The Georgia National Guard Service Cancelable Loan Program ("Program") is governed by O.C.G.A. §§20-3-374 et seq., the Georgia National Guard Service Cancelable Loan Program Regulations ("Regulations") adopted by GSFA, the terms and conditions of the program application ("Application"), and any and all notices to be issued to Borrower, including but not limited to notices or awards, or replacement of awards ("Notices"). The Regulations, Application, and Notices are incorporated herein by this reference. Copies of the Regulations may be obtained by contacting GSFA by mail, email, fax, phone, or access to on-line resources.

A. ELIGIBILITY FOR LOAN.

Pursuant to the program regulations, the borrower must be enrolled as at least a half-time student for the school term in order to be eligible to receive disbursement of funds.

1. **Loan Eligibility Requirements.** By executing this Promissory Note, Borrower herein represents and covenants that Borrower is eligible and understands the consequences of failure to maintain, verify, and document eligibility for the Loan;
2. **Certification of Eligibility.** Borrower shall cause the Georgia National Guard Supervising Officer (or designee) to certify Borrower's eligibility for educational loans. Borrower shall request that the Georgia National Guard Supervising Officer (or designee) to certify Borrower's termination of service that may impact continued loan eligibility.
3. **Eligibility Term.** Notwithstanding Borrower's ability to meet the eligibility requirements listed above, Borrower shall not be eligible to receive the Loan for more than a, maximum of 120 semester or 180 quarter Paid Hours.
4. **Loan Discontinuance**. The Loan provided for herein shall be discontinued upon Borrower's cessation as an active member of the Georgia National Guard.
5. **Loss of Eligibility**. The Borrower may have a loss of eligibility for the Loan, if:
   (a) Borrower fails to maintain good military status as an active member of the Georgia National Guard; or
   (b) Borrower fails to maintain sufficient academic standing and satisfactory academic progress (SAP) and program pursuit.

6. **Effect of Loss of Loan Eligibility.** The Borrower is no longer entitled to additional funds on the loan upon discontinuance or loss of eligibility of the loan. After a six (6) month grace period from the effective date of discontinuance or eligibility loss, the loan shall convert to repayment status. The borrower's obligation for repayment by service or cash begins the day after expiration of the six (6) month grace period.

B. ENROLLMENT

The enrollment status of the borrower as either full-time or half-time, as certified by the institution, shall be used to determine:

a. loan eligibility, and
b. the official withdrawal or termination date from the institution.

In accordance with established regulations, the enrollment dates and status shall be used to establish the borrower's eligibility for the loan, official withdrawal or termination date(s), grace period, and repayment period begin date. Enrollment criteria and level of enrollment required to satisfy loan eligibility requirements may differ from the level of enrollment for determination of the borrower's withdrawal or termination date.

For the Georgia National Guard Service Cancelable Loan Program:

1. The borrower must be enrolled as a half-time student for the school term in order to be eligible to receive disbursement of funds, and the borrower must maintain eligibility for the duration of the program. Failure to maintain half -time enrollment status shall cause the lender to cease disbursement of funds on the loan.

2. The borrower may continue institutional enrollment after half-time enrollment is ceased and loan eligibility is lost; however, the borrower shall become ineligible for disbursement of any additional loan funds under this note, if the enrollment is not half-time.

3. The borrower's enrollment on at least a half-time basis shall be used to determine periods of continuous enrollment and the official last date of attendance at the institution.

C. SERVICE REPAYMENT / CANCELLATION.

Terms of the loan afford the borrower the option for repayment of the loan with service as indicated below. Criteria for service repayment requires the borrower serve as a member of the Georgia National Guard (GNG) for two (2) years following the last term of enrollment for which GNG SCL funds were received. Any period of time that a recipient served in the Georgia National Guard prior to the last term of enrollment for which the loan is applicable does not count toward the two year service commitment. Service cancellation of the obligation is at the sole discretion and determination of GSFA, and requires borrower compliance with the requirements of GSFA for verification of status.

1. **Cancellation Eligibility.** Service may qualify the Borrower for cancellation of the loan, if during the repayment period the borrower completes the required duration of service, and verification of eligibility is submitted to the Holder in compliance with the requirements of the Holder for service cancellation.
2. **Verification of Status.** Borrower shall submit a signed Verification of Status (VOS) form, signed by Georgia National Guard Supervising Officer, to GSFA periodically as necessary to document periods of service. It shall be the responsibility of the Borrower to ensure completed verification is submitted timely and in accordance with requirements.
3. **Repayment Period.** The obligation for repayment begins the day after expiration of the six (6) month grace period. At the discretion of the Holder, deferments and/or forbearances may be granted during the repayment period. The repayment period is exclusive of periods of deferment or forbearance.
4. **Repayment by Service.** Service cancellation eligibility shall apply to outstanding amounts associated with the loan as appropriate. Cancellation of the loan shall be determined by the Holder and based on verified service completion for a period corresponding to the period of time covered by the loan, to the extent such loan sum was advanced. Documentation must be submitted in compliance with established procedures of the Holder.
5. **Servicemembers Civil Relief Act (SCRA).** In accordance with SCRA, obligations established prior to active duty or activation to service are entitled to an interest rate **cap at 6% per annum** for periods of active duty served following the date the obligation was made. In the event the Loan is not canceled and interest continues to accrue during active duty status, borrowers eligible for the 6% cap are entitled to permanent forgiveness of the excess interest portion, and the excess interest shall not become due upon termination of active duty.

D. CASH REPAYMENT.

1. **Cash Repayment Status.** GSFA shall convert Borrower to Cash Repayment status if GSFA determines that Borrower is not in compliance with the Loan Eligibility or Service Repayment Requirements. The Loan shall be repayable in cash, at the interest rate specified herein.
2. **Cash Repayment Options.** Upon designation by GSFA that Borrower is in Cash Repayment Status, Borrower shall have the option to either:
   (a) Repay, in full, the amount of the Loan received plus accrued interest; or
   (b) Begin making monthly payments of the payment amount shown in cash in the Cash Repayment Schedule as defined in (D)(4) of the Note.
3. **Interest Rate**. The interest rate shall be fixed for the term of the Cash Repayment Term (as hereinafter defined) based on the "Prime Rate" as announced in The Wall Street Journal on the first business day of January of the calendar year when the Cash Repayment Term begins, plus one percentage (1%) point. In no event shall the interest rate due hereunder exceed ten percent (10%) per annum. This rate may or may not, at any time, be the best or the lowest rate available in the market. Interest is computed daily and will begin accruing on the Outstanding Principal Amount on the first day immediately following the date GSFA determined Borrower is in Cash Repayment Status. Interest is computed daily and will begin accruing on the Outstanding Principal Amount on the first day immediately following the date GSFA determined Borrower is in Cash Repayment Status.
4. **Cash Repayment Schedule**. Within a reasonable time after it has been determined that Borrower is in Cash Repayment Status, GSFA will provide Borrower with a Cash Repayment Schedule. The Cash Repayment Schedule will specify the principal amount to be repaid, interest rate, total interest due, number of months over which the Loan will be paid, and the monthly payment. The minimum payment will be FIFTY DOLLARS AND NO CENTS ($50.00).
5. **Monthly Waivers, Consents on the Cash Repayment Schedule, and Covenants**. Borrower hereby waives demand, presentment, dishonor, protest, and notice of dishonor or protest. Borrower is and shall be obligated to pay principal, interest, and any and all other amounts which become payable hereunder (including reasonable attorney's fees and all other costs for collection) or under any other documents or instruments executed in connection herewith absolutely and unconditionally and without any abatement, postponement, diminution, or deduction and without any reduction for counterclaim or setoff.

E. OBLIGATION TO REPAY

I understand and agree, pursuant to the Act and *all incorporated references, my obligation for repayment and that:*

A. In consideration of services rendered by me, the note shall not become payable in cash and payment hereof shall be canceled by Holder:
   a. If I, while enrolled continuously and on at least a half-time basis, maintain eligibility for and meet standards and requirements for continued eligibility for the GNG loan; AND
   b. If I, upon graduation or termination of such enrollment, serve as an eligible member in the Georgia Army National Guard, for a period of two (2) years following the last term of enrollment for which GNG SCL funds were received. Any period of time that a recipient served in the Georgia National Guard prior to the last term of enrollment for which the loan is applicable does not count toward the two year service commitment.
   c. If I, in compliance with the procedures established by the Holder, submit acceptable documentation, as determined by GSFA or designee or assigns and in compliance with established procedures of the Holder.

B. In consideration of occurrence of certain events, the note shall become payable in cash and payment hereof shall not be canceled by Holder:
   a. If there is a loss of eligibility while in school;
   b. If there is a failure to complete requisite GNG service for the prescribed timeframe, unless service shall not be required by reasons of health determined as provided for in the "Act"; OR
   c. If there is noncompliance with any program requirement or procedure established by GSFA and as determined by GSFA or designee or assigns.

F. DEFAULT OF SERVICE AND CASH REPAYMENT.

Failure to perform the requisite service obligation shall constitute default of the service obligation and cause the note to convert to a cash repayment obligation. Default shall occur on the cash repayment obligation for failure to make regularly scheduled payments for a period of 270 days, or other period as may be subsequently revised and stated in the regulations, as amended. If there shall be any event of default, this Note shall accelerate and all principal, and interest, fees, and any and all other amounts shall become due and payable.

1. **Events of Default**. In addition to the default of the Loan Eligibility Requirements, the following are events of default hereunder: (a) failure to pay or perform any obligation, liability or indebtedness of Borrower to GSFA, or any affiliate or subsidiary of GSFA, whether under this Note or any other instrument, when due (whether upon demand, at maturity or by acceleration); (b) determination by GSFA that any representation or covenant made to GSFA by Borrower, is untrue or misleading;(c) seizure or forfeiture of, or the issuance of any writ against Borrower, which GSFA, in its sole discretion, deems to be of a material nature; (d) determination by GSFA that it is insecure for any reason; (e) determination by GSFA that a material adverse change has occurred in the financial condition of Borrower.
2. **Remedies Upon Default of Cash Repayment.** Whenever there is an event of default under this Note, the entire balance outstanding hereunder and all other obligations of Borrower (however acquired or evidenced) shall, at the option of GSFA, become immediately due and payable and any obligation of GSFA to permit further borrowing shall immediately cease and terminate. Additionally, GSFA shall have all rights and remedies available at law and equity.

G. APPEAL OF GSFA DECISION. Determination made by GSFA regarding Borrower's compliance with any provision of this Note or the Regulations, may be appealed by Borrower by giving notice in writing to GSFA of Borrower's objection to the determination and requesting reconsideration. Any such notice shall specify: (1) GSFA'S determination that is being appealed by Borrower; and (2) Reasons Borrower believes the determination to be contrary to the provisions of this Note or the Regulations; and (3) must be received by GSFA within thirty (30) days from the date of receipt by Borrower of the determination being appealed. GSFA shall attempt to notify Borrower in writing within sixty (60) days from the receipt of the request of GSFA'S decision on the appeal. The determination of GSFA on any appeal shall be final, binding, and conclusive.

H. LIMITATION ON TERM. Within five (5) years of graduation or termination from enrollment, the borrower must repay the outstanding dollar amount of the Loan not satisfied by service. The repayment period must not exceed a five (5) year repayment term. Periods of deferment or forbearance are excluded from the five (5) year period.

I. MISCELLANEOUS PROVISIONS.

1. **Definitions.** All terms not herein defined shall assume the definitions contained in the Regulations.
2. **Non-Waiver.** The failure at any time of GSFA to exercise any of its options or any other rights hereunder shall not constitute a waiver thereof, nor shall it be a bar to the exercise of any of its options or rights at a later date. All rights and remedies of GSFA shall be cumulative and may be pursued singly, successively or together, at the option of GSFA. The acceptance by GSFA of any partial payment shall not constitute a waiver of any default or of any of GSFA's rights under this Note. No waiver of any of its rights hereunder, and no modification or amendment of this Note, shall be deemed to be made by GSFA unless the same shall be in writing, duly signed on behalf of GSFA; each such waiver shall apply only with respect to the specific instances involved, and shall in no way impair the rights of GSFA's or Borrower's obligations to GSFA in any other respect at any other time.
3. **Applicable Law, Venue, and Jurisdiction.** This Note and the rights and obligations of Borrower and GSFA shall be governed by and interpreted in accordance with the laws of the State of Georgia. In any litigation in connection with or to enforce this Note, Borrower consents to and confers personal jurisdiction on the courts of the State of Georgia or of the United States located within the State of Georgia and expressly waives any objections to Fulton County being the exclusive venue for enforcement of this Note. Nothing contained herein shall, however, prevent GSFA from bringing any action or exercising any rights within any other state or jurisdiction or from obtaining personal jurisdiction by any other means available under applicable law.
4. **Partial Invalidity.** The unenforceability or invalidity of any other provision herein and the invalidity or unenforceability of any provision of this Note to any person or circumstance shall not affect the enforceability or validity of any other provision or of such provision as it may apply to other persons or circumstances.
5. **Binding Effect.** This Note shall be binding upon and inure to the benefit of Borrower, and GSFA and their respective successors, assigns, heirs and personal representatives, provided however, that no obligations of Borrower hereunder can be assigned without prior written consent of GSFA.
6. **Controlling Document.** To the extent that this Note conflicts with the Regulations or any other document or is in any way incompatible with the Regulations, the Note will control.
7. **Changes, Modifications, Terminations.** This Note may not be changed, modified, or terminated, nor may any provision of this Note be waived except by an agreement in writing signed by the parties. GSFA retains the right to enact changes or modifications in exceptional circumstances that may arise from revision of statute or regulation that may affect the Note, without written agreement. No delay or omission by GSFA in exercising any of the GSFA's rights shall operate as a waiver of such rights, and a waiver in writing on one occasion shall not be construed as a consent to or waiver of any right or remedy on any future occasion.

8. **Notices.** Borrower shall notify GSFA immediately of any change in Borrower's name, address, and telephone number, and email address, school of attendance, enrollment status, service status, or employment status. Any notice required to be given to me will be effective if mailed by first class mail, email, or other electronic means available, to the latest address I have provided to the Holder of the Note, or if the Holder reasonably determines that the address is no longer my address, to the latest address secured by the Holder from a reasonably reliable source. Rejection or other refusal to accept or inability to deliver because of changed address of which proper notice was not given shall be deemed to be receipt of the notice, request, demand, or other communication. By giving prior written notice hereof, any party may from time to time and at any time change its address for notices hereunder.
9. **Enforceability.** If any provision of the Note is determined to be unenforceable, the remaining provisions shall remain in force.
10. **Transfer and Assignment.** The Holder may transfer or assign the loan, account, or the Note and all the rights, responsibilities and/or obligations associated hereunder to any third party without notice. The transfer or assignment by the Holder to another entity may be for any purpose, including, without limitation, collection of unpaid amounts, reorganization, or sale of assets.
11. **Debt Cancellation.** In the event of death or total and permanent disability of the Borrower, GSFA or Holder may cancel the obligation in accordance with established regulation and procedure, provided validated and required documents are submitted in compliance with requirements.

THIS WRITTEN PROMISSORY NOTE REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. I HEREBY COVENANT THAT I HAVE READ AND UNDERSTAND THE FOREGOING IN ITS ENTIRETY AND FURTHER COVENANT TO USE ANY AND ALL LOAN FUNDS AWARDED TO ME FOR MY EDUCATIONAL-RELATED EXPENSES ONLY. I UNDERSTAND FAILURE TO DO SO WILL RESULT IN FORFEITURE OF MY GEORGIA NATIONAL GUARD SERVICE CANCELABLE LOAN. READ, SIGNED, SEALED, AND DELIVERED BY BORROWER WHO ACKNOWLEDGES AND AGREES TO THE TERMS OF THIS PROMISSORY NOTE.

_____
Borrower's Signature

_____
Print Name

_____
Borrower's Social Security Number

Subscribed and sworn before me this _____ day

of _____, 20____.

_____
Signature of Notary Public

_____
Name of Notary Public (printed, typed, or stamped)

_____
Notary Commission Expiration