



# Cosigner Addendum

# South Carolina Student Loan

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW LOAN ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens a loan account. What this means to you: Your name, address, date of birth, and other information collected on this form will be used to verify your identity. You may also be asked to provide your driver's license or other identifying documents.

### Cosigner Information: (Please type or print in ink.)

<b>1. Social Security Number</b>	<b>2. Legal Name</b>  (Last) _____ (First) _____ (MI) _____
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<b>3. Permanent Mailing Address</b>  Street _____  City _____ State _____ Zip _____	<b>4. Date of Birth (mm/dd/yyyy)</b>
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<b>5. Driver's License</b> State _____ Number _____	<b>6. Email</b>
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<b>7. U.S. Citizenship Status (Check one, and list ID number if applicable)</b>  <input type="checkbox"/> U.S. citizen or national <input type="checkbox"/> Neither <input type="checkbox"/> Permanent Resident      Alien Registration Number _____	<b>8. Home Phone</b> (      )  <b>Cell Phone</b> (      )
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**9. References: You must have two separate references with different U.S. addresses.**

Name _____	Name _____
Address _____	Address _____
City/State/Zip _____	City/State/Zip _____
Home Phone _____	Home Phone _____

<b>10. Employment Information</b> (Cosigners must be employed to qualify)  Employer _____ Address _____  City _____ State _____ Zip _____ Telephone _____	<b>11. Gross Monthly Income</b>  \$ _____
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### Borrower Information: (Please type or print in ink.)

<b>12. Social Security Number</b>	<b>13. Legal Name</b>  (Last) _____ (First) _____ (MI) _____
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**14. SC PAL Requested Loan Amount** (must match amount shown in 10a of SC PAL Application and Promissory Note)  
  
\$ \_\_\_\_\_

Although I will not personally receive any loan proceeds, I promise to pay the full amount of this debt, including unpaid principal, accrued interest, late fees, and/or collection costs if, upon demand by the lender/holder of the Promissory Note executed by the borrower, the borrower fails to repay the debt.

I understand that the lender/holder can use the same collection methods against me that can be used against the borrower. I also understand that the lender/holder, subject to any required cure notices, need not notify me of (1) failure by the borrower to pay any amount due, (2) any sale or other action relating to this loan, (3) acceptance of this guaranty, or (4) any renewal or extension of the borrower's debt. I understand that if this debt is ever in default, that fact will become part of my credit record.

I understand that this is an Addendum to the SC PAL Promissory Note. I will not sign this Addendum before reading it and the SC PAL Promissory Note on the back of this form, even if I am advised not to read these documents. My signature certifies I have read, understand, and agree to the terms and conditions on this Addendum and the Application and Promissory Note, as applicable.

I certify that the information contained on this Addendum is true and accurate.

**I authorize the lender, or its agent, at any time until the note is paid in full, to investigate my credit record and report information concerning my credit to the proper persons and organizations.**

**15. I UNDERSTAND THIS IS A LOAN THAT I MUST REPAY IF THE BORROWER DOES NOT. I HAVE RECEIVED A COPY OF THIS NOTE FROM THE BORROWER.**

_____ Signature of Cosigner	_____ Date (mm/dd/yyyy)
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On the reverse side of this Cosigner Addendum is the writing setting forth the terms of the Debtor's agreement, which is guaranteed by the cosigner. By signing this Addendum to the SC PAL Promissory Note, the cosigner agrees to abide by the terms and conditions of the Promissory Note, as applicable, in the event the borrower does not repay the loan.

**Upon completion, mail this form and the Notice to Cosigner form to:  
SC Student Loan, PO Box 21487, Columbia, SC 29221-1487.**

## PAL Application and Promissory Note (continued)

As used here, "I," "Me" and "My" refer to both the borrower and the cosigner. SCSLC refers to the SC Student Loan Corporation and any successor or assignee.

The loan amount(s) under this Application and Promissory Note will be determined by subtracting the Estimated Financial Aid from the school-certified Cost of Attendance. My financial aid office will certify eligibility for the loan. Approval of this loan is contingent on my meeting SCSLC's credit criteria. I understand SCSLC is not obligated, now or at any time, to make this or any other loan to me. The amount and the interest rate for my loan as well as any finance charges will be described to me in a notice of loan approval and disclosure statement sent when my loan is approved. I understand that SCSLC will transfer the proceeds of this loan to my school electronically based upon the school's recommended disbursement date(s). I must use this money for qualified higher education expenses for the school that certified the loan and for the time period for which the amount was certified. Qualified higher education expenses are limited to: tuition, room, board, fees, books, supplies, equipment, and transportation expenses.

### Definitions

**Capitalized Interest:** Unpaid accrued interest that is added to the principal balance of the loan.

**Enrolled Period:** The period beginning on the day I receive my first disbursement and ending on the date I, or the benefiting student, graduate or cease at least half-time enrollment at an eligible school.

**Repayment Period:** The period beginning on the day after the student ceases to be enrolled on at least a half-time basis.

**Initial Forbearance Period:** The period beginning on the day I receive my final disbursement for which this loan is intended and continuing for the Enrolled Period during which I have elected to postpone payment of accruing interest or make interest payments.

**Forbearance Period:** A postponement or reduction of payments during the Repayment Period offered at the sole discretion of SCSLC not to exceed 36 months.

### Interest

1. **Accrual:** Interest on this loan accrues at the fixed rate defined below. Interest begins to accrue on the date of each disbursement and continues to accrue until the loan is paid in full. Interest accrues on the unpaid principal sum to the extent it is disbursed, and on the unpaid accrued interest added to the principal balance quarterly and at the end of any Forbearance Period. Interest is calculated on the basis of 365.25 days in a year. If I do not pay interest to SCSLC prior to the start of the Repayment Period, such interest will be capitalized. If I am granted forbearance and if I choose not to pay accruing interest charges, the principal balance will increase each time SCSLC capitalizes unpaid interest. As a result, I will pay more interest charges over the life of the loan. When the student leaves school and I begin repaying the loan, my monthly payment amount may be higher.

2. **Fixed Rate for borrowers electing to pay accruing interest during the Enrolled Period:** The loan bears interest at a fixed rate of 7.15%. If I elect to pay the accrued interest and do not do so, even if capitalized, SCSLC may initiate collection actions against me.

3. **Fixed Rate for borrowers electing to postpone payment of full interest during the Enrolled Period:** The loan bears interest at a fixed rate of 9.15%. Borrowers electing to postpone payments of full interest will be subject to a \$25 minimum monthly payment per loan (not to exceed \$50 per borrower) during the Enrolled Period. If I elect to pay the \$25 minimum payment and do not do so, SCSLC may initiate collection actions against me.

The actual interest rate applicable to my loan will be disclosed to me in a disclosure statement.

### Repayment

I am obligated to repay the full amount of the loan and accrued interest. It is my responsibility to notify SCSLC of my or the student's enrollment status. I will repay the principal and interest of my loan in periodic installments during the Repayment Period which begins the day immediately following the day the student ceases to be enrolled at least half-time. SCSLC will provide me with a repayment schedule and disclosure statement that identifies my payment amounts and due dates. My repayment schedule may include all of my SC PAL loans. I agree that SCSLC may grant me a forbearance for purposes of aligning payment dates on my SC PAL loans or to eliminate a delinquency that persists even though I am making scheduled payments. I may repay all or any part of the unpaid balance on my loan at any time without penalty. All payments will be applied first to any outstanding unpaid fees, then to outstanding interest, then to principal.

### Fees

**Origination Fee:** An origination fee ranging from 1-3% will be charged on each loan. The fee I am charged will be disclosed in a disclosure statement and will be deducted proportionately from each loan disbursement.

**Late Payment Fee:** If a payment is more than 10 days late, I agree to pay a late charge of 5% of the unpaid amount, not to be less than \$6.60 or more than \$16.50. These amounts will increase as allowed by Section 37-1-109, Code of Laws, South Carolina (1976).

**NSF Fee:** A \$25.00 fee will be charged to my account if a payment is returned due to insufficient funds or any other reason.

### Credit Bureau Notification

Information concerning the amount, disbursement, and repayment of my loan will be reported to one or more national consumer reporting agencies.

### Default

At the option of SCSLC, this loan may be in default after any notice required by law, and SCSLC will have the right to give me notice that the whole outstanding principal balance, accrued interest, and all other amounts payable to SCSLC are due and payable at once if any of the following occurs:

1. I fail to make any payment to SCSLC when due; or
2. The prospect of payment is impaired; or
3. I fail to notify SCSLC of a change in my name, address, or forbearance eligibility status within 10 days after a change occurs; or
4. I make any false written statement in applying for this loan or at any time thereafter; or
5. I fail to comply with any of the terms of this loan.

If I default, this will be reported to national credit bureau organizations and may significantly and adversely affect my credit history. This may adversely affect my ability to obtain credit in the future. If a judgment is obtained on the loan, the judgment will accrue interest at the judgment rate of interest as allowed by law.

### Collection Costs

If I default on the loan, I shall pay to SCSLC, or its agents, reasonable collection fees, court costs and attorney fees, not to exceed 15% of the unpaid debt after default.

### Loan Discharge

I acknowledge that this loan is subject to the limitations on dischargeability in bankruptcy contained in the provisions of United States Bankruptcy Code, including, but not limited to, 11 U.S.C. §523.

### Loan Sale or Transfer

SCSLC may sell, or otherwise transfer, one or all of my loans without my consent. Should ownership of a loan be transferred, I will be notified of the name, address and telephone number of the new holder if the address to which I make my payments changes. Sale or transfer of my loans to a subsequent holder does not affect my rights and responsibilities.

### Governing Law and Notices

The terms of this loan will be interpreted in accordance with South Carolina and federal laws. Any notice required to be given to me will be effective if mailed by first class mail to the latest address I have provided to SCSLC or faxed. Faxed notices are sent to the latest fax number provided to SCSLC. Failure by SCSLC to enforce any term on this Note shall not be a waiver of any right to later enforce that term. No provision of this Note may be modified or waived except in writing. If any provision of this loan is determined to be unenforceable or in violation of law, the remaining provisions shall remain in force.

### Borrower Certification and Authorization

I declare that the following are true and correct:

1. The information contained in the Borrower Section of the application is true, complete and correct to the best of my knowledge and belief and is made in good faith.
2. The proceeds of this loan will be used only for educational expenses associated with attendance at the school listed on the application. I hereby authorize the school to pay to the lender any refund which may be due up to the amount of this loan.
3. I understand that I am required to notify SCSLC (or any subsequent holder of my loans) in writing if any of the following events occur before the loan is repaid: (a) I change my address; (b) I change my name (e.g., maiden to married); (c) I, or the benefiting student, fail to enroll at least half-time for the loan period certified, or at the school that certified the application; (d) I, or the benefiting student, withdraw from school or drop to a less than half-time status; (e) I, or the benefiting student, graduate; (f) I change my employer or my employer's address changes; or (g) I have any other change in status that would affect my loan status.
4. I authorize the school, lender or their agents to contact me regarding my loan(s) at the telephone number I have provided or which I provide in the future, even if that number is a cellular telephone number. I understand that automated telephone dialing equipment or an artificial pre-recorded voice message may be used.
5. I authorize SCSLC, or its agents, to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information.
6. I authorize the release of information pertinent to this loan (a) to the school; and (b) to members of my immediate family unless I submit written directions otherwise; and (c) to other organizations to the extent permitted by law.

## Notice to Cosigner

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

### IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY

Name of Borrower (Debtor) \_\_\_\_\_

Borrower (Debtor) SSN \_\_\_\_\_

Name of Lender **SC Student Loan Corporation** \_\_\_\_\_

Date (mm/dd/yyyy) \_\_\_\_\_

Kind of Debt **Palmetto Assistance Loan** \_\_\_\_\_

I have received a copy of this notice.

\_\_\_\_\_  
Date (mm/dd/yyyy)

\_\_\_\_\_  
Cosigner Signature

\_\_\_\_\_  
Print Cosigner Name

\_\_\_\_\_  
Cosigner SSN

Upon completion, mail this form and the Cosigner Addendum to:  
SC Student Loan, PO Box 21487, Columbia, SC 29221-1487.

Please make a copy for your records