

SC Teachers / Career Changers Loan

Application and Promissory Note

2018-2019

Note: You may apply for both programs, but you may only receive funding from one. State funding is limited and subject to change, so apply early. The priority deadline for applying is April 30, 2018.

The **South Carolina Teachers Loan Program** was established by the State of South Carolina to encourage talented and qualified students to enter the teaching profession and teach in the state in areas of critical need.

The **Career Changers Loan Program** was established by the State of South Carolina to assist individuals wishing to change careers and become certified teachers in the state in areas of critical need.

ELIGIBILITY CRITERIA - The following criteria is required of all applicants regardless of whether or not you have received the loan in the past. SHOULD YOU NOT MEET THE FOLLOWING CRITERIA, YOU ARE NOT ELIGIBLE FOR THE LOAN.

South Carolina Teachers Loan

1. Must be a citizen or permanent resident of the United States;
2. Must be a resident of South Carolina;
3. Must be enrolled in and making satisfactory academic progress at an accredited institution on at least a half-time basis;
4. Must be enrolled in a program of teacher education or have expressed an intent to enroll in such a program;
5. Entering freshmen must have been ranked in the top 40% of their high school graduating class and have a SAT or ACT score equal to or greater than the SC **average** for the year of graduation. Currently, these scores are: SAT (2 parts) 1058, ACT 18;
6. Enrolled undergraduate students, including enrolled freshmen (2nd term of freshman year), **must have a cumulative grade point average of at least 2.75 on a 4.0 scale and must have taken and passed the Praxis I (Praxis Core after 06/30/14). Students with a SAT score of 1100 or greater (1650 for 3-part exams taken on or after March 1, 2005) or an ACT score of 24 or greater are exempt from the Praxis requirement.** Entering graduate students must have at least a 2.75 grade point average on a 4.0 scale. Graduate students who have completed at least one term must have a grade point average of 3.5 or better on a 4.0 scale; and
7. If previously certified to teach, must be seeking initial certification in a different critical subject currently listed.

Career Changers Loan

1. Must have held a baccalaureate degree for at least three years or worked as an instructional assistant in a SC public school;
2. Must have been employed for a minimum of three years;
3. Must be a citizen or permanent resident of the United States;
4. Must be a resident of South Carolina;
5. Must be enrolled in and making satisfactory academic progress at an accredited institution on at least a half-time basis;
6. Must be enrolled in a program of teacher education or have expressed an intent to enroll in such a program;
7. Enrolled undergraduate students, including enrolled freshmen (2nd term of freshman year), **must have a cumulative grade point average of at least 2.75 on a 4.0 scale and must have taken and passed the Praxis I (Praxis Core after 06/30/14). Students with a SAT score of 1100 or greater (1650 for 3-part exams taken on or after March 1, 2005) or an ACT score of 24 or greater are exempt from the Praxis requirement.** Entering graduate students must have at least a 2.75 grade point average on a 4.0 scale. Graduate students who have completed at least one term must have a grade point average of 3.5 or better on a 4.0 scale; and
8. The requirements listed in #7 above are waived only during the borrower's initial year as an applicant.

Loan Amounts

Freshmen and sophomores may borrow up to \$2,500 per year. All other students may borrow up to \$5,000 per year, up to a cumulative maximum amount of \$20,000.

Loan Amounts

Students may borrow up to \$15,000 per year, up to a cumulative maximum amount of \$60,000.

These loans may not exceed the cost of attendance as determined by the college's Financial Aid Office.

Forgiveness

The SC Teachers and Career Changers loans are forgiven at the rate of 20% or \$3,000, whichever is greater, for each year of full-time teaching in a public school in a critical subject or critical geographic area within South Carolina. Teaching in both a critical subject and critical geographic area simultaneously increases the rate of forgiveness to 33 1/3% or \$5,000, whichever is greater, for each year of full-time teaching. The subject areas deemed critical at the time of application will be honored for forgiveness when teaching begins; critical geographic areas must be deemed critical at the time of employment. **Failure to teach in an area of critical need will require repayment of the full amount borrowed plus accrued interest. Effective for loans disbursed on or after July 1, 2013, the interest rate shall equal the Direct Stafford Loan interest rate charged for unsubsidized loans to undergraduate students plus 2%, not to exceed 8.25%.**

CREDIT REPORTING AGENCY NOTIFICATION:

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

Due to limited state funding, meeting all criteria and deadlines does not ensure your receipt of a SC Teachers / Career Changers Loan.



Borrower Instructions for Completing the Application and Promissory Note

In order to apply for a South Carolina Teachers Loan and/or the Career Changers Loan programs, the borrower must complete **Section 1** of this application and sign the Promissory Note. **Section 2** must be completed by an authorized official in your college's Education Department who will then submit both pages of the application to the Financial Aid Office. **The priority deadline for applying is April 30, 2018.** Please submit your application to your college as soon as possible. Signing the Promissory Note does not ensure that you will be awarded a loan nor does it obligate you in any way. Your repayment obligation begins when you accept a loan award by endorsing the award check or when funds are applied to your school account. You will be notified of your application status as soon as funding is made available.

Section 1: To be completed by borrower

IMPORTANT

- This form should be typed or printed carefully with a pen.
- Leave no blanks; incomplete applications cannot be processed.
- Follow the instructions carefully. Instruction numbers correspond to item numbers on the application.
- Upon completion, send the entire application (pages 1 & 2) to the Education Department of the college you will attend. Applications mailed directly to SC Student Loan will be returned. Your school's Financial Aid Office will mail your completed application to SC Student Loan.

Item 3 - Your permanent address must be entered. A temporary school address is **NOT** acceptable.

Item 7 & 8 - These are optional questions asked for demographic purposes.

Item 9 - Check the appropriate box if you are a U.S. citizen. If not, you must have filed a declaration of intent to become a U.S. citizen.

Item 12 - Include the county code from the list below.

Abbeville	1	Greenwood	24
Aiken	2	Hampton	25
Allendale	3	Horry	26
Anderson	4	Jasper	27
Bamberg	5	Kershaw	28
Barnwell	6	Lancaster	29
Beaufort	7	Laurens	30
Berkeley	8	Lee	31
Calhoun	9	Lexington	32
Charleston	10	McCormick	33
Cherokee	11	Marion	34
Chester	12	Marlboro	35
Chesterfield	13	Newberry	36
Clarendon	14	Oconee	37
Colleton	15	Orangeburg	38
Darlington	16	Pickens	39
Dillon	17	Richland	40
Dorchester	18	Saluda	41
Edgefield	19	Spartanburg	42
Fairfield	20	Sumter	43
Florence	21	Union	44
Georgetown	22	Williamsburg	45
Greenville	23	York	46
		Out of State	50

Item 13 - Check the box indicating your intended enrollment status. If you will be attending **less than half-time** you are not eligible for a loan.

Item 14 - You should give the entire loan period for which you are requesting assistance. Month and year is satisfactory (Example: 08/2018 to 05/2019).

Assistance is not available for summer terms.

Item 17 A - If you anticipate teaching in a critical geographic area as defined annually, check this box. (You can view this information on our website at www.scstudentloan.org by clicking on 'Current Borrowers' then 'Teacher Forgiveness'.)

Item 17 B. If you anticipate teaching in a critical subject area, use the following codes:

Code # / Critical Subject Areas

01 / Secondary Mathematics	27 / Physical Education
02 / Secondary Science (Biology, Chemistry, Physics and Science)	28 / Speech Language Therapist
03 / Media Specialist	31 / English as a Second Language
04 / Special Education (All Areas)	36 / Health
07 / Art	37 / Dance
11 / Spanish	41 / Chinese
12 / French	43 / Literacy
13 / Latin	49 / Music
14 / Family & Consumer Science (Home Economics)	51 / Social Studies
17 / Business/Marketing/Comp Tech	52 / Industrial Technology Education
18 / German	
19 / Secondary English	
23 / Theatre	
26 / Middle Level Social Studies, Math, Language Arts, Science	

Item 19 - Answer only if you are applying for the Career Changers Loan program.

Item 20 - Supply complete information for two references. These should be persons who will know your whereabouts after you leave college. One reference must be a parent or guardian. If your parents are deceased, you must provide your closest living adult relative.

Borrower Instructions for Signing the Application and Promissory Note

Write in the dollar amount you wish to borrow in the "Promise to Pay" section.

Example: "...the sum of \$ 2500 .00"

If an error is made in completing this item, mark a single line through the mistake and correct it above, initialing all changes. ALL CHANGES MUST BE INITIALED BY THE BORROWER.

Example: "...the sum of \$ 2,000 H.A. ~~2500~~ .00"

After reading the "Promise to Pay" section, sign your **full legal name**, including first name, middle initial, and last name. **Use a ballpoint pen.** DO NOT PRINT.

Fill in the date you are signing the Application and Promissory Note. By signing you accomplish two things: 1) you acknowledge that you have read, understand, and agree to the provisions in the Student Certification on the reverse side; and 2) you agree to repay the loan in full in accordance with all the terms and conditions indicated in the Promissory Note.

After You Have Completed the Application and Promissory Note

- Check to be sure Section 1 is legible and complete.
- Make a copy of the Application/Promissory Note and keep for your records.
- Forward both pages of the Application/Promissory Note to your school's Education Department. Do not mail the application to SC Student Loan without having Sections 2 and 3 completed by the school.
- **FAXED, SCANNED, OR PHOTOCOPIED IMAGES WILL NOT BE ACCEPTED.**
- If you have any questions about the processing of your application, contact SC Student Loan at PO Box 102405, Columbia, SC 29224, (803) 798-0916 or (800) 347-2752. (You may view the status of your application on our website at www.scstudentloan.org by creating a User ID.)

Section 1. To be completed by borrower

Borrower is responsible for forwarding the completed application to the college's Education Department. Please make a copy for your records.

I am applying for: SC Teachers Loan Career Changers Loan (You may apply for both, but receive funding from only one.)

1. Social Security Number _____ - _____ - _____	2. Legal Name _____ <small>(Last) (First) (MI)</small>
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3. Permanent Mailing Address Street _____ Home Phone (____) _____ City _____ State _____ Zip _____ Cell (____) _____	4. Date of Birth (mm/dd/yyyy) ____ / ____ / ____
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5. Driver's License State _____ Number _____	6. Email Address _____	7. Gender (optional) <input type="checkbox"/> Male <input type="checkbox"/> Female
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8. Racial or Ethnic Group (optional) A <input type="checkbox"/> African-American D <input type="checkbox"/> Hispanic-American B <input type="checkbox"/> American Indian E <input type="checkbox"/> American Caucasian C <input type="checkbox"/> Asian-American F <input type="checkbox"/> Other (specify) _____	9. Citizenship <input type="checkbox"/> U.S. Citizen <input type="checkbox"/> Non-U.S. Citizen	10. Have you ever defaulted on a student loan? (If yes, send copy of paid in full letter.) <input type="checkbox"/> Yes <input type="checkbox"/> No	11. Legal resident of what state? _____ Since _____ (mm/dd/yyyy)
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12. County Code (See instructions, Item 12) _____	13. Intended Enrollment Status <input type="checkbox"/> Full-time <input type="checkbox"/> At Least Half-time	14. Loan Request Period From (mm/yyyy) ____ / ____ To (mm/yyyy) ____ / ____	15. Anticipated Date of Graduation (mm/dd/yyyy) ____ / ____ / ____
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16. Did you participate in the SC Teacher Cadet Program? <input type="checkbox"/> Yes <input type="checkbox"/> No	17. Check all that apply. I plan to teach in: A <input type="checkbox"/> A critical geographic area B <input type="checkbox"/> A critical subject area (specify code _____) (See instructions, Item 17B)	18. Have you ever been certified to teach? (If yes, please specify area.) <input type="checkbox"/> Yes _____ <input type="checkbox"/> No
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19. For Career Changers Loan applicants only: (Please complete a-c below.)

(a) Has it been at least 3 years since you completed your baccalaureate degree? Yes No Date Completed _____
(mm/dd/yyyy)

(b) Have you been employed as an instructional assistant in a SC public school? Yes No

(c) Have you been employed for at least 3 years? Yes No

20. References: Persons who will know your whereabouts after you leave college.

a. Parent or guardian <input type="checkbox"/> Check here if parents are deceased and provide closest living relative	b. Your second reference <u>must</u> be at an address <u>different</u> from your first reference
Name _____	Name _____
Address _____	Address _____
City/State/Zip _____	City/State/Zip _____
Home Phone (____) _____	Home Phone (____) _____
Employed By _____	Employed By _____
City/State/Zip _____	City/State/Zip _____
Bus. Phone (____) _____	Bus. Phone (____) _____

My signature certifies that I agree to the terms of the Promissory Note as summarized on the back of this form, and I am willing to enter into such an agreement if I am chosen as a SC Teachers Loan or Career Changers Loan recipient. In addition, if my school participates in electronic funds transfer (EFT), I authorize the school to transfer the loan proceeds received by EFT to my student account. I hereby certify that I have read and agree to the Student Certification on the back of this form and that upon graduation, I plan to teach in a South Carolina public school at the preschool, elementary, or secondary level.

PROMISSORY NOTE: Promise to Pay: I, the undersigned student borrower identified in Section 1, Item 2, promise to pay to you or your order when this note becomes due as set forth in the Agreement on the reverse side of this application, the sum of:

\$ _____ .00.

I understand that this is a Promissory Note. I will not sign this Promissory Note before reading it, including the writing on the reverse side, even if otherwise advised. I am entitled to an exact copy of this Promissory Note, the Notice of Loan Guarantee and Disclosure Statement and any agreement I sign. By signing this Promissory Note, I acknowledge that I have received an exact copy hereof.

Signature of Student (full legal name) _____

Date _____

AFTER SIGNING, DELIVER PAGES 1 & 2 (not a photo copy, scan, or fax) TO THE EDUCATION DEPARTMENT OF THE COLLEGE WHERE YOU WILL ATTEND.

Student Certification

I hereby authorize all educational institutions which I have attended, including but not limited to the institution for which these loans are intended, to release to SC Student Loan (SCSL), the SC State Education Assistance Authority, any subsequent holder, or their agents, any information (addresses, references, financial information, transcripts, enrollment information, etc.) requested by such persons in the administration of these loans. I hereby authorize SCSL to obtain any and all credit information needed in order to process this application and such application shall remain the property of SCSL. I authorize the loan holder to which I submit this request (and its agents or contractors) to contact me regarding my request or my loan(s), including repayment of my loan(s), at any number that I provide on this form or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages. 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. 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.

I declare under penalty of perjury under the laws of the United States of America that the information provided on this SC Teachers Loan / Career Changers Loan Application and Promissory Note is true and correct, and that the information contained in this application is true, complete, and correct to the best of my knowledge. If asked by an authorized official, I agree to provide proof of the information that I have given on this form. I also realize that if I do not provide proof when asked, I may not receive a loan.

Educational Institution Certification

I hereby certify that the student named on this application is accepted for enrollment or is enrolled half-time or greater and is maintaining satisfactory academic progress. I further certify that, based upon records available at this institution, this student is neither in default nor owes a refund with respect to previous federal financial assistance, and that the information provided in Section 3 is true, complete, and correct to the best of my knowledge and belief.

Agreement

1. I, the undersigned South Carolina Teachers Loan / Career Changers Loan recipient, agree that I shall:

(A) Teach on a full-time basis in South Carolina in either a critical geographic area to be determined at the time of employment, or in a critical subject area as indicated at the time of application, or subsequently, for a period of five years in a public elementary or secondary school.

(B) Provide SCSL, as it requires, evidence of compliance with the above requirements and requirements outlined in Number 8 below.

2. I understand that I shall be eligible to have 20% or \$3,000, whichever is greater, of this loan plus interest on the unpaid principal balance cancelled for each full year, or 10% or \$1,500, whichever is greater, for each complete term of teaching experience as defined by the State Board of Education in an area of critical need, up to a maximum of 100% of the amount of this loan plus the interest thereon. I understand that I shall be eligible to have 33 1/3% or \$5,000, whichever is greater, of this loan plus interest on the unpaid principal balance cancelled for each full year, or 16 2/3% or \$2,500, whichever is greater, for each complete term of teaching experience as defined by the State Board of Education when I simultaneously teach in both a critical subject area and a critical geographic area of up to a maximum of 100% of the amount of this loan plus the interest thereon. There will be no cancellation for partial terms. I understand that if I do not initially meet the requirements for cancellation as set forth in 1(A) above, but subsequently do so, I will not be entitled to a refund or credit provided for any amount paid; however, any unpaid balance at the time I begin to teach in an area of critical need will be eligible for cancellation subject to all regulations contained herein.

3. I agree that if SCSL determines that I have failed to meet the conditions described in Number 1, I shall:

(A) Repay the amount of the loan(s) received, prorated according to the fraction of the teaching obligation not completed, as determined by SCSL.

(B) Pay all reasonable collection costs and attorney's fees as determined by SCSL.

(C) Pay a late charge of 5% of the unpaid amount, not to be less than \$7.40 or more than \$18.50, if a payment is more than 10 days late. These amounts will increase as allowed by Section 37-1-109, Code of Laws, South Carolina (1976). Returned items: A \$25.00 fee will be charged if a payment is returned due to insufficient funds or any other reason.

4. I agree that if required by Number 3 to repay my loan, I shall:

(A) Enter repayment status on the first day of the calendar month after six months have elapsed after I cease to carry at least one-half the normal full-time academic workload at an eligible institution.

(B) Make payments to SCSL which cover principal, interest, collection costs, and late charges according to a schedule established by SCSL which calls for complete repayment in not more than ten (10) years from the beginning of the repayment period. This period will be extended by any period of forbearance granted to me as described in 4(C) below. The monthly installments shall be at a rate of no less than \$50 per month. I may accelerate repayment of the loan, in whole or in part, without penalty.

(C) Upon request and agreement between myself and SCSL, I may be granted a forbearance in which regular payments do not have to be made. Interest that accrues during such a period, as agreed by both parties, may be paid by me or capitalized.

5. I agree that SCSL shall capitalize any accrued unpaid interest at the time my repayment schedule is established.

6. I understand that SCSL shall cancel my repayment obligation if it determines:

(A) On the basis of a sworn affidavit of a qualified physician, I am unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or result in death.

(B) On the basis of a death certificate or other evidence of death that is conclusive under state law that I have died.

7. I agree that, in order to cancel my obligation as described in Number 6, I, or my estate, must submit an Affidavit of Total and Permanent Disability, Death Certificate or other documentation required by SCSL in order to render a determination.

8. I agree that to maintain eligibility under this program I must be:

(A) Enrolled on at least a half-time basis in a postsecondary institution that is currently accredited by a nationally recognized accrediting agency or association and approved by SCSL under the regulations governing this program; and

(B) Pursuing a course of study leading to certification as a teacher at the preschool, elementary or secondary level, as determined by the state in which the postsecondary institution is located; and

(C) Maintaining a cumulative grade point ratio as required by SCSL.

9. I accept the responsibility for contacting SCSL to update any changes to my name, address, educational or employment status.

10. If I (A) fail to make a scheduled payment on time (unless I properly requested cancellation or forbearance of the loan), (B) file for bankruptcy or otherwise fail to maintain my current credit standing, (C) fail to comply with the express purpose of the loan, or (D) fail to keep any other promise in this Agreement, SCSL may refuse to make any further advances under this loan, and the entire unpaid balance may immediately become due and payable.

11. I acknowledge and agree that failure by the holder to exercise any right hereunder with respect to any failure or breach of mine shall not constitute a waiver of the rights as to any subsequent breach or failure.

12. I hereby waive presentment, protest, notice of protest, demand, and notice of dishonor.

South Carolina Student Loan

Student Name _____ (Last) _____ (First) _____ (MI)
 SSN _____ - _____ - _____

The college's Financial Aid Office is responsible for returning the completed application to SC Student Loan. Please make a copy for your records.

Section 2. To be completed by college's Education Department

20. Based on information available to this office, the student is a / an:
 (A) Entering freshman (B) Continuing undergraduate student
 (C) Graduate student who HAS NOT completed one semester/term (D) Continuing graduate student
21. **a. South Carolina Institutions**
 Has the student successfully completed the Praxis I (Praxis Core after 06/30/14)? (Students with a SAT score of 1100 or greater (**1650 for 3-part exams taken on or after March 1, 2005**) or an ACT score of 24 or greater are exempt from the Praxis requirement.)
 Yes No Student is exempt from Praxis
- b. Institutions Outside of South Carolina**
 Has the student completed the necessary prerequisites required for entrance into the state approved, regionally accredited teacher education program at your institution?
 Yes No
22. If the student **has not** completed 60 credit hours of undergraduate study (semester basis), has the student demonstrated to you or a member of your Department a desire and intent to enter the program? Yes No
23. If the student **has** completed 60 credit hours of undergraduate study (semester basis), has the student taken the necessary steps to be admitted into the teacher education program? Yes No

Signature of Authorized Education Department Official _____ Title _____ Date _____ Institution _____

After signing, please forward this application to the college's Financial Aid Office.

Section 3. To be completed by college's Financial Aid Office

Certification sent Electronically
 Paper

24. School Code _____		25. Name of School _____ Address _____		
26. Phone () _____	27. Loan Period (mm/dd/yyyy) (Not to include summer) From _____ To _____	28. Student's Grade Level _____	29. Anticipated Graduation Date (mm/dd/yyyy) _____/_____/_____	
30. Enrollment Status <input type="checkbox"/> Half-time or greater <input type="checkbox"/> Less than half-time	31. SC Resident? <input type="checkbox"/> Yes <input type="checkbox"/> No	32. Certified Amount \$ _____ .00	33. Recommended Date(s) of Disbursement (mm/dd/yyyy) 1 st _____ 3 rd _____ 2 nd _____ 4 th _____	
34. High School Class Rank (applicable for freshmen only) Rank: _____	35. SAT / ACT Score (applicable for freshmen only) <input type="checkbox"/> SAT (Critical Reading & Math) <input type="checkbox"/> ACT Score: _____		36. Cumulative GPA _____ on a _____ scale	

37. My signature below certifies that I have read and agreed to the "Educational Institution Certification" printed on the back of this form.

Signature of Authorized School Official _____ Printed / Typed Name and Title _____ Date _____

Upon school completion of page 2, return pages 1 & 2 (not a photo copy, scan or fax) to South Carolina Student Loan, PO Box 102405, Columbia, SC 29224, Telephone: (803) 798-0916 or (800) 347-2752

Student Certification

I hereby authorize all educational institutions which I have attended, including but not limited to the institution for which these loans are intended, to release to SC Student Loan (SCSL), the SC State Education Assistance Authority, any subsequent holder, or their agents, any information (addresses, references, financial information, transcripts, enrollment information, etc.) requested by such persons in the administration of these loans. I hereby authorize SCSL to obtain any and all credit information needed in order to process this application and such application shall remain the property of SCSL. I authorize the loan holder to which I submit this request (and its agents or contractors) to contact me regarding my request or my loan(s), including repayment of my loan(s), at any number that I provide on this form or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages. 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. 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.

I declare under penalty of perjury under the laws of the United States of America that the information provided on this SC Teachers Loan / Career Changers Loan Application and Promissory Note is true and correct, and that the information contained in this application is true, complete, and correct to the best of my knowledge. If asked by an authorized official, I agree to provide proof of the information that I have given on this form. I also realize that if I do not provide proof when asked, I may not receive a loan.

Educational Institution Certification

I hereby certify that the student named on this application is accepted for enrollment or is enrolled half-time or greater and is maintaining satisfactory academic progress. I further certify that, based upon records available at this institution, this student is neither in default nor owes a refund with respect to previous federal financial assistance, and that the information provided in Section 3 is true, complete, and correct to the best of my knowledge and belief.

Agreement

1. I, the undersigned South Carolina Teachers Loan / Career Changers Loan recipient, agree that I shall:

(A) Teach on a full-time basis in South Carolina in either a critical geographic area to be determined at the time of employment, or in a critical subject area as indicated at the time of application, or subsequently, for a period of five years in a public elementary or secondary school.

(B) Provide SCSL, as it requires, evidence of compliance with the above requirements and requirements outlined in Number 8 below.

2. I understand that I shall be eligible to have 20% or \$3,000, whichever is greater, of this loan plus interest on the unpaid principal balance cancelled for each full year, or 10% or \$1,500, whichever is greater, for each complete term of teaching experience as defined by the State Board of Education in an area of critical need, up to a maximum of 100% of the amount of this loan plus the interest thereon. I understand that I shall be eligible to have 33 1/3% or \$5,000, whichever is greater, of this loan plus interest on the unpaid principal balance cancelled for each full year, or 16 2/3% or \$2,500, whichever is greater, for each complete term of teaching experience as defined by the State Board of Education when I simultaneously teach in both a critical subject area and a critical geographic area of up to a maximum of 100% of the amount of this loan plus the interest thereon. There will be no cancellation for partial terms. I understand that if I do not initially meet the requirements for cancellation as set forth in 1(A) above, but subsequently do so, I will not be entitled to a refund or credit provided for any amount paid; however, any unpaid balance at the time I begin to teach in an area of critical need will be eligible for cancellation subject to all regulations contained herein.

3. I agree that if SCSL determines that I have failed to meet the conditions described in Number 1, I shall:

(A) Repay the amount of the loan(s) received, prorated according to the fraction of the teaching obligation not completed, as determined by SCSL.

(B) Pay all reasonable collection costs and attorney's fees as determined by SCSL.

(C) Pay a late charge of 5% of the unpaid amount, not to be less than \$7.40 or more than \$18.50, if a payment is more than 10 days late. These amounts will increase as allowed by Section 37-1-109, Code of Laws, South Carolina (1976). Returned items: A \$25.00 fee will be charged if a payment is returned due to insufficient funds or any other reason.

4. I agree that if required by Number 3 to repay my loan, I shall:

(A) Enter repayment status on the first day of the calendar month after six months have elapsed after I cease to carry at least one-half the normal full-time academic workload at an eligible institution.

(B) Make payments to SCSL which cover principal, interest, collection costs, and late charges according to a schedule established by SCSL which calls for complete repayment in not more than ten (10) years from the beginning of the repayment period. This period will be extended by any period of forbearance granted to me as described in 4(C) below. The monthly installments shall be at a rate of no less than \$50 per month. I may accelerate repayment of the loan, in whole or in part, without penalty.

(C) Upon request and agreement between myself and SCSL, I may be granted a forbearance in which regular payments do not have to be made. Interest that accrues during such a period, as agreed by both parties, may be paid by me or capitalized.

5. I agree that SCSL shall capitalize any accrued unpaid interest at the time my repayment schedule is established.

6. I understand that SCSL shall cancel my repayment obligation if it determines:

(A) On the basis of a sworn affidavit of a qualified physician, I am unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or result in death.

(B) On the basis of a death certificate or other evidence of death that is conclusive under state law that I have died.

7. I agree that, in order to cancel my obligation as described in Number 6, I, or my estate, must submit an Affidavit of Total and Permanent Disability, Death Certificate or other documentation required by SCSL in order to render a determination.

8. I agree that to maintain eligibility under this program I must be:

(A) Enrolled on at least a half-time basis in a postsecondary institution that is currently accredited by a nationally recognized accrediting agency or association and approved by SCSL under the regulations governing this program; and

(B) Pursuing a course of study leading to certification as a teacher at the preschool, elementary or secondary level, as determined by the state in which the postsecondary institution is located; and

(C) Maintaining a cumulative grade point ratio as required by SCSL.

9. I accept the responsibility for contacting SCSL to update any changes to my name, address, educational or employment status.

10. If I (A) fail to make a scheduled payment on time (unless I properly requested cancellation or forbearance of the loan), (B) file for bankruptcy or otherwise fail to maintain my current credit standing, (C) fail to comply with the express purpose of the loan, or (D) fail to keep any other promise in this Agreement, SCSL may refuse to make any further advances under this loan, and the entire unpaid balance may immediately become due and payable.

11. I acknowledge and agree that failure by the holder to exercise any right hereunder with respect to any failure or breach of mine shall not constitute a waiver of the rights as to any subsequent breach or failure.

12. I hereby waive presentment, protest, notice of protest, demand, and notice of dishonor.