

Terms, Rights and Responsibilities

*-Please note that the following terms and conditions apply to Nellie Mae Loans that were applied for **without** a U.S. co-applicant. If you have a U.S. co-applicant on your loan, please refer to your Promissory Note for information on your loan's terms and conditions. -*

I UNDERSTAND THE FOLLOWING TERMS (check all boxes that apply):

- ❑ **Principal**-The loan amount that must be repaid once the loan enters Repayment Status and the amount upon which interest will be charged.
- ❑ **Interest**-The charge made to a borrower for use of a lender's money. See your promissory note for interest rate terms and conditions.
- ❑ **In-School Deferment**: The period of time when the student borrower is enrolled at least half-time at the Eastman School of Music and is not required to pay loan principal.
 - **NOTE**: Once a loan goes into Repayment, the loan cannot be placed back into In-School Deferment status. Thus, loans borrowed during a student's first degree-program at the Eastman School of Music **CANNOT** be placed in In-School Deferment during any subsequent degree programs at the Eastman School of Music or any other institution. These loans will go into Repayment, and the first payment will be due within 30 days of the time that the student graduates, drops below half-time status, withdraws, transfers out of Eastman or takes a leave of absence from their first degree at the Eastman school of Music.
 - ❑ **Example 1**: A student borrows Nellie Mae Recourse loan funding while attending Eastman for their undergraduate degree. For our example let us assume that the student is enrolled at Eastman from August 2005 to May 2009. They then pursue a graduate degree at Eastman or another institution after they graduate from Eastman on 8 May 2009. This student's undergraduate Nellie Mae Recourse loans will go into Repayment on 9 May 2009 and these loans will **NOT** be eligible for In-School Deferment from this date forward.
 - ❑ **Example 2**: A student borrows Nellie Mae Recourse funding during their undergraduate or graduate degree program at the Eastman School of Music. Before the student completes their degree, they withdraw or transfer to another school. In our example, let us assume that the student's withdrawal date is 4 November 2005. This student's Nellie Mae Recourse loans will go into Repayment on 5 November 2005 and from this day forward their Nellie Mae Recourse loans will **NOT** be eligible for In School Deferment.
- ❑ **In-Repayment**: The period of time after the borrower has either finished their degree (graduated), dropped below half-time status, withdrawn from school, or taken a Leave of Absence during which the borrower is responsible to pay BOTH principal and interest payments on their loans.
- ❑ **Forbearance**: The temporary postponement of payments, such as allowing for an extension of time for making payments or accepting smaller payments than previously scheduled. Borrowers are granted 1 year's worth of forbearance for each loan borrowed. In the event that a borrower needs to use their forbearance they must apply with Nellie Mae Servicing.
- ❑ **Origination or Supplemental fee**: You will be charged a supplemental fee (by Nellie Mae) once your loan has been disbursed. This fee will be added to the principal amount of your loan. It will be included in the balance used to calculate interest charges.
- ❑ **Servicing Company**: The company that handles a student's payments and loan account(s) after the loan(s) disburse to the student's school account. Please note that Sallie Mae is the servicing company for all Nellie Mae Recourse loans.

I UNDERSTAND THAT I HAVE THE RIGHT TO THE FOLLOWING:

- Written information on my loan obligation and information on my rights and responsibilities as a borrower. (See your Promissory Note).
- Forbearance of the principal payments, if I qualify and if I request it from my loan servicer.
- Prepayment of my loan in whole or in part at any time without an early-repayment penalty.
- Documentation that my loan(s) are paid in full.

I UNDERSTAND THAT I MUST:

- Make monthly interest payments for the duration of the life of my loan regardless of whether or not I am enrolled in school.**
- Make monthly interest and principal payments on my loan(s) beginning one month or 30 days after I finish my degree (graduate), drop below half-time status, withdraw from school or take a Leave of Absence, unless I have placed my loan(s) in forbearance.
- Attend an Exit Counseling session before I leave school or drop below half-time enrollment.
- Repay my loans even if I do not complete my academic degree program, or I am dissatisfied with the education I received, or I am unable to find employment after I graduate.
- Notify my school and Nellie Mae Loan Servicing (Sallie Mae) if I:
 - Move/change my address
 - Change my name
 - Withdraw from school or drop below half-time enrollment
 - Transfer to another school
 - Fail to enroll in school for the period for which the loan was intended
 - Change my expected date of graduation
 - Graduate
- I understand that I should become familiar with my on-line account with Sallie Mae (Nellie Mae's Loan servicer) at www.salliemae.com, and that I must make sure that the information listed on this account is correct (address, phone number etc.).
- I understand that I have received a loan(s) from Nellie Mae for the purpose of attending the Eastman School of Music and that these loans must be repaid in accordance with the terms and conditions listed on my promissory note.

I UNDERSTAND THE FOLLOWING CONSEQUENCES OF BECOMING DELINQUENT OR DEFAULTING ON MY NELLIE MAE LOANS:

- I will be responsible for all past due payments.
- I will have a hold placed on both my financial student account and my registration.
- I may no longer be eligible to borrow International Loan Funding through the Eastman School of Music. This may include the return of Nellie Mae Loan funding for the semester in which I become delinquent on my loans.
- My registration for classes may be canceled or I may be withheld from registering for future semesters.
- I may be withdrawn from the Eastman School of Music.
- If I default on my loan, I will be responsible for paying my defaulted debt to the Eastman School of Music-NOT to Nellie or Sallie Mae Loans.
- I may be sent to collections and thereby will be responsible for my entire Nellie Mae Loan debt. In addition, I may owe collections costs equal to approximately 33% of my entire Nellie Mae Loan Amount.

Student's Name (please print)

Social Security Number

Student Signature

Date