

Caroline Utter Fund - Promissory Note

First Unitarian Society of Denver

1400 Lafayette Street Denver CO · 80218

Date: _____

Loan Amount: _____

Completed Loan Application

Applicants and co-signer(s) must have completed, understood all terms and conditions of and signed the **Caroline Utter Fund Loan Application**. Upon approval and acceptance of the loan, applicant and co-signer(s) must complete and sign this Promissory Note. A copy of applicant's completed Loan Application must be attached to this signed Promissory Note.

Student/Borrower: _____

Co-Signer(s): _____

(Print)

(Print)

Address: _____

Address: _____

Phone number _____

Phone number _____

e-mail _____

e-mail _____

For value received, the undersigned (collectively the "Borrowers") jointly and severally promise to pay to the order of the Caroline Utter Fund (the "Lender") the principal sum of \$_____.

This money is made available to assist _____ (the "Student Borrower") in pursuing studies at an accredited educational institution. The principal amount of this Note shall begin to accrue interest on the first day of the 6th month after the Student Borrower ceases to be enrolled at an accredited educational institution with a course schedule that is at least one-half the credit hours considered to be "full time" by the institution (the "**Interest Accrual Date**"). Interest shall accrue from and after the Interest Accrual Date at the rate set on that date and defined by the CUF Loan Terms attached to this application as **Exhibit B**. The Student Borrower is required to provide grade records within thirty (30) days of the end of each grading period while the student is enrolled in an educational institution.

Monthly payments of principal and interest shall commence on the first day of the first month following the Interest Accrual Date in the amounts set forth on the schedule of payments attached hereto as **Exhibit A**.

The Borrower shall have the right to pre-pay the principal amount and any accrued interest, in full or in part, without penalty at any time. Partial prepayment shall be applied against the principal amount outstanding and shall not postpone the date of any subsequent payment or change the amount of such payment. Any payment in the amount of the next due installment shall not be considered a prepayment unless designates as such in writing by the Borrower.

The Borrower shall pay to the Lender a late charge of fifteen dollars (\$15.00) for any payment not received by the representative(s) of the Lender within ten (10) days after it is due.

All payments shall be applied first to late charges, second to accrued and unpaid interest and last to principal.

Default Under this Promissory Note

The Borrower shall be deemed to be in Default under this Note if **any of the following** occur:

1. misrepresentation of any facts by Borrower to obtain this loan.
2. failure to pay principal and interest when due.
3. death of the Borrower.
4. filing of bankruptcy proceedings by Borrower or the filing of involuntary proceedings against any Borrower if such involuntary proceedings are not discharged within sixty (60) days.
5. failure to provide written official grades / status within 30 days of the end of any term.
6. failure to provide written official registration (>= 50%) within 30 days of any term beginning.

In the event of any Default hereunder, the entire principal amount outstanding and accrued interest thereon shall become due and payable at the option of the Lender ("Acceleration") thirty (30) days after notice of Acceleration has been given. Until the expiration of the thirty (30) day period the Borrower may cure the Default by taking the action specified in the notice of Acceleration. In the event of a Default which is not cured, the Lender shall be entitled to collect all reasonable costs and expenses of collection and/or suit, including but not limited to reasonable attorney's fees.

In any one or more of the provision of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provision shall remain fully operative.

Terms and Conditions of Caroline Utter Fund Loans

Eligibility for Loans

Applicants can be from any Denver area Unitarian Universalist Church. Preference will be given to members or children of members of FUSD.

Applicants must attend an accredited post high school education.

Applicants must be enrolled at least half time for the entire school year.

Loans should only be used for tuition and class expenses, such as books.

Application Process

Complete loan application, including yearly cost estimates and planned loan use.

Submit application to address below by **June 15th or November 15th**.

All loans are unsecured and must be Co-signed.

Provide credit report for applicant and co-signer(s).

Selection Criteria for Loan Awards

Years of FUSD Membership of student or family.

Applicants participation in a Unitarian Universalist Religious Education Program.

Ability to repay loan based on information provided in the application.

Applicant personal interview with a CUF Board member(s).

Selection is solely at the discretion of the CUF Board.

Number of Loans

Generally, the CUF Board plans on awarding 2-3 loans a year; however, availability and number of loans each year is solely at the discretion of the CUF Board.

Loan Amounts

Loans amounts may be between \$1,000 and \$5,000.

Maximum of \$5,000 may be applied for in any one school year.

Any FAMILY may apply for a lifetime maximum of \$10,000 from the CUF.

Loan Terms

Interest rate for a loan will be **fixed for the life of the loan**.

No interest accrues until the loan repayment begins after the **“Interest Accrual Date”**.

Loan interest rate is set once a year on July 1st (or the first business day after July 1st) for all loans issued in the year from July 1st to the following June 30th.

Loan interest rate will equal to the interest rate on the July 1st **10-year US Government Treasury Note** plus a Fixed Margin of 1.5%. *The Fixed Margin may be adjusted annually by the CUF Board, but not for an existing loan.*

Loan Repayment

Payments begin the first day of the first month following the **“Interest Accrual Date”**.

Repayment will be amortized over 5 years (60 months).

Prepayment (early payment) may be made at any time, with no penalty.

Late fees are charged for any loan payments not received in a timely manner.

All payments on this loan shall be paid in the legal currency of the United States.

By signing the **Note**, Borrower waives presentment for payment, protest and notice of protest and nonpayment of the **Note**.

Student Responsibilities

Student must notify CUF of current address, email and phone number.

Student must send CUF an official report within 30 days of the end of each semester/quarter of standing in school or a notice of termination or withdrawal from program.

Any missing report will cause the loan to become payable in 6 months.

Any amount past due over 60 days will be immediately due from loan co-signer.

All communications should be directed to:

Caroline Utter Fund Administration
First Unitarian Society of Denver
1400 Lafayette ST
Denver CO 80218
(303) 831-7113

All payments on this loan shall be paid in the legal currency of the United States. By signing the **Note**, Borrower waives presentment for payment, protest and notice of protest and nonpayment of the **Note**.

No renewal or extension of this Note, delay in enforcing any right of the Lender under this Note, or assignment by Lender of this Note shall affect the liability of the Borrower. All rights of the Lender under this Note are cumulative and may be exercised concurrently or consecutively at the Lender's option.

This Note shall be construed in accordance with the laws of the State of Colorado. Borrower agrees that this Note may be enforced in any court of competent jurisdiction in the State of Colorado and hereby submits to the jurisdiction of such court regardless of the Borrower's residence or the location of this Note's execution.

Issued this _____ day of _____, 20_____.

Student/Borrower Signature: _____

Print Name: _____

Date: _____

Co-Signer(s) Signature: _____

Print Name(s): _____

Date: _____

Caroline Utter Fund Administrator Signature: _____

Print Name: _____

Date: _____

Promissory Note – Exhibit A
Caroline Utter Fund – Payment Schedule

(Must be attached at time of signing)