

TAU BETA PI STUDENT LOAN PROMISSORY NOTE

\$ _____ 20 _____

For value received, on or before _____ years after date, I, or we, promise to pay to the order of The Tau Beta Pi Association, Inc., _____ dollars, with interest thereon from date hereof at the rate of 6% per annum on the unpaid principal balance, at the headquarters of the Association at Knoxville, Tennessee.

The undersigned agree(s) to the loan conditions and further provisions of this note appearing on the reverse side of this note.

Borrower _____ Social Security No.: _____

Co-signer _____

Permanent address of co-signer:

Do not fill in: Loan No. _____ Due _____, 20 _____

THE TAU BETA PI ASSOCIATION
STUDENT LOANS

LOAN CONDITIONS AND PROVISIONS OF NOTE:

1. Loans of any amount from \$25 to \$2,500 may be made. The rate of interest shall be 6% per annum, not compounded except as otherwise herein provided. No person may borrow more than \$2,500 under the Student Loan Program.
2. Application for a loan must be made on a special form provided by the Association. The appropriate one of three application forms—for an undergraduate student, for a graduate student, or for an initiation-fee loan—must be used.
3. The note must be co-signed by an independently responsible person of legal age, preferably the borrower's parent or guardian, who is a citizen of the United States.
4. The member shall execute and submit with the application a promissory note, on the form provided by the Association. The amount to be borrowed shall be re-payable to The Tau Beta Pi Association, Inc., together with interest thereon as above provided, within not more than three years after date. The member, in executing the note, agrees to inform the Secretary-Treasurer of the Association in writing semi-annually of his or her current address. In the event the borrower does not advise the Secretary-Treasurer semi-annually of his or her current address or does not pay the note at maturity, he or she agrees to the payment of a penalty of \$5.00 for each \$100.00 or part thereof of the indebtedness due at the time the default occurs, and in such event, the borrower and co-signer shall then owe the Association the penalty incurred plus the balance on the note with interest.
5. If this note is not paid at maturity, it shall bear thereafter interest at the rate of 10% per annum on the unpaid balance until the entire indebtedness is paid in full.
6. The borrower may re-pay on the indebtedness at any time or times in multiples of \$10.00. The final payment shall include any balance on the principal and all interest and penalty, if any. An extension of the note may be secured upon written approval of the Executive Council of the Association, provided application is made prior to maturity of the note, and accrued interest and penalty, if any, are paid. An extension, if granted, shall not be for a period of more than one year and the rate of interest during said extension period shall be 10% per annum, not compounded, and re-payment shall be made at least quarterly during the period of extension.
7. The borrower and co-signer waive presentment, protest, demand, notice of protest, dishonor and nonpayment of this note and expressly agree that if this note is placed in the hands of an attorney-at-law for collection or has to be sued on, they will pay all costs of collection, including a reasonable attorney's fee incurred in the collection of this note. The obligation of the borrower and co-signer shall be joint and several.
8. This note is made in Tennessee and shall be interpreted under the laws of the State of Tennessee. Where in this instrument the word "Association" appears, it shall be construed and be intended to mean The Tau Beta Pi Association, Inc.