



SCHOLARSHIP OFFICE - Caller Box 10007, Saipan, MP 96950
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**2009/2010 PUBLIC LAW14-37 HONOR SCHOLARSHIP
MEMORANDUM OF AGREEMENT/PROMISSORY NOTE**

THIS MEMORANDUM OF AGREEMENT/PROMISSORY NOTE made and entered into this _____th day of _____ 20 __, by and between the Government of the Commonwealth of the Northern Marianas and _____ hereinafter referred to as the "Recipient"
(First MI. Last)

WITNESSETH:

WHEREAS, pursuant to the Re-organization Act of 1994, all functions of the Board of Regents relative to scholarships have been transferred to the Scholarship Advisory Board, under the Office of the Governor;

WHEREAS, the Scholarship Advisor Board ("SAB") is to administer the scholarship program under Public Law 14-37 which grant fifteen (15) graduating high school student with the highest scholastic ranking in the Commonwealth and meets the eligibility criteria as set forth; and

WHEREAS, the scholarship program is established to enable students to obtain educational training in their field of interest and in recognition of the scarcity of trained manpower in the Commonwealth;

NOW, THEREFORE, in consideration of the scholarship provided to the student by or through the Scholarship Advisory Board, Office of the Governor, the Student agrees, covenants, and represents as follows:

1. The recipient is admitted or enrolled in an accredited, recognized post-secondary educational institution, pursuing a _____
_____ (type of degree or certificate) in the field of _____
_____ (field of study), at _____
(name of institution).
2. The recipient shall maintain a status of a full-time student, and shall *maintain a cumulative grade point average of not less than 3.00 at the end of each academic year.* The student shall submit an official transcript at the beginning of each school year and copy of his/her

grade report promptly to the Scholarship Advisory Board after the conclusion of each quarter or semester in between.

3. The recipient is not pursuing an academic program that leads to a degree of theological or religious study, or that is intended to prepare the student for a religious ministry.
4. The recipient agrees to return to the CNMI no later than three (3) months after completion of their degree program.
5. The recipient agrees to repay all scholarship awards received through this scholarship fund to the Government of the Commonwealth if he/she fails or refuses to return and commence work in the CNMI within the time allotted.
6. The recipient agrees to remit the whole amount of moneys provided through this scholarship fund to the Government of the Commonwealth if he/she fails or refuses to complete the program.
7. The recipient understands and agrees with the provisions in this Memorandum of Agreement and Rules and Regulations governing this scholarship program, and therefore accepts the scholarship given under this program.
8. The recipient agrees to return to the Commonwealth three (3) months after the termination or completion of his/her degree plan or non-enrollment from school and provide service to the Commonwealth by working in the Commonwealth for any employer -- whether in the public or private sector -- or for the Commonwealth of the Northern Mariana Islands government whether or not the job is located in the Commonwealth ("Commonwealth Work"). The recipient further agrees to perform Commonwealth Work for a period equal to the period for which the recipient received scholarship assistance from the SAB. For each such six (6) month period of Commonwealth Work, SAB will consider the Recipient to have repaid the equivalent value of the scholarship assistance the recipient accepted for one academic term. The recipient must provide written proof from their employer on an annual basis that they are performing Commonwealth Work to be in compliance with this section.
9. The recipient understands and agrees that failure to comply with any part of sections 1-8 of this Memorandum of Agreement/ Promissory Note will

constitute a material breach of the note and a default and will require the recipient to pay the entire award received (less credit received for Commonwealth Work in paragraph 8). If such a default occurs, the recipient must repay their entire debt to SAB with equal monthly payments within (6) years of the default. The recipient may repay according to any of the following repayment options at his or her discretion.

Total Debt for Repayment	Per Month 12 months	Per Month 24 months	Per Month 36 months	Per Month 48 months	Per Month 60 months	Per Month 72 months
\$5,000-\$14,999	\$417-\$1,250	\$209-\$625	\$139-\$417	\$105-\$313	\$84-\$250	\$70-\$210
\$15,000-\$22,499	\$1,250-\$1,875	\$625-\$938	\$417-\$625	\$313-\$469	\$250-\$375	\$209-\$313
\$22,500-\$29,999	\$1,875-\$2,500	\$938-\$1,250	\$625-\$834	\$469-\$625	\$375-\$500	\$313-\$417
\$30,000-\$37,499	\$2,500-\$3,125	\$1,250-\$1,563	\$834-\$1,042	\$625-\$782	\$500-\$625	\$417-\$521
\$37,500-\$44,999	\$3,125-\$3,750	\$1,563-\$1,875	\$1,042-\$1,250	\$782-\$938	\$625-\$750	\$521-\$625
\$45,000-\$52,499	\$3,750-\$4,375	\$1,875-\$2,188	\$1,250-\$1,459	\$938-\$1,094	\$750-\$875	\$625-\$730
\$52,500-\$59,999	\$4,375-\$5,000	\$2,188-\$2,500	\$1,459-\$1,667	\$1,094-\$1,250	\$875-\$1,000	\$730-\$833
\$60,000-\$67,499	\$5,000-\$5,625	\$2,500-\$2,813	\$1,667-\$1,875	\$1,250-\$1,406	\$1,000-\$1,125	\$833-\$938
\$67,500-\$75,000	\$5,625-\$6,250	\$2,813-\$3,125	\$1,875-\$2,084	\$1,406-\$1,563	\$1,125-\$1,250	\$938-\$1,042

Note: Last payment will be adjusted.

The recipient must inform the SAB of which repayment schedule he or she has accepted within thirty (30) days of the default. If the recipient does not select a repayment schedule within thirty (30) days, the recipient will be deemed to have selected the "Per Month 72 Months" repayment schedule listed above. Recipient's first monthly payment shall be due on the first of the month following the default, but at least thirty (30) days after the default. All subsequent payments will be due on the first of each following month until the recipient repays the entire debt to SAB. Note: The recipient may pay the balance in full at any time within the schedule plan.

9. If the recipient fails to pay any monthly payment, or of any part of any monthly payment, ("Payment Default") then the whole principal sum shall become immediately due and payable at the option of the SAB, without notice, and a penalty of five (5) dollars per month will accrue starting at the time of the default. The penalty shall continue to accrue each month until Debtor fully cures the Payment Default by paying all past due monthly payments and all accrued penalties.

10. Military Deferral. The time for the recipient to comply with the requirements of Section 8, above, shall be extended upon request if the

recipient enlists in the armed forces of the United States of America. Specifically, the recipient's obligation to comply with the requirements of Section 8 shall be deferred, upon request, until the recipient's service in the armed forces ends. Recipient may take advantage of this deferral for a maximum of six years after the termination or completion of his/her degree plan or non-enrollment from school. Once the recipient's service in the armed forces ends or six years passes from the termination or completion of his/her degree plan or non-enrollment from school, whichever event occurs first, the recipient shall have to comply with the requirements of Section 8. All deferrals granted under this section are not valid unless in writing. The recipient must renew his or her deferral annually.

11. In the event of commencement of suit to enforce payment of this Note, the undersigned agrees to pay to the Lender for attorney's fees and costs as the Court may deem reasonable up an amount equal to five (5) dollars per month starting at the time of the default.
12. The recipient fully understands and agrees that compliance with the provisions in this Promissory Note/Memorandum of Agreement shall constitute a condition for any financial assistance herein provided.
13. Should the student is below 18 years old at the time of the award, both the student and parent/legal guardian fully understand and agrees that compliance with the provisions in this Promissory Note/Memorandum of Agreement shall constitute a condition for any financial assistance herein provided.
14. This Memorandum of Agreement/ Promissory Note shall be governed by the laws of the Commonwealth of the Northern Mariana Islands without regard to the choice of law provision thereof.
15. The recipient agrees that the Superior Court for the Northern Mariana Islands shall have jurisdiction to resolve any disputes arising out of or relating to this Memorandum of Agreement/ Promissory Note.
16. In the event that any of the provisions of this Memorandum of Agreement/ Promissory Note shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Memorandum of Agreement/ Promissory Note shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

17. **IN WITNESS WHEREOF**, the student hereunto sets his/her signature on the date first written above.

Student Signature

Date

Name and Signature of Parent/Legal Guardian
(Applies to student under age)

Date

NOTARY:

On this ____ day of _____ 20__, before me appeared _____ who executed the agreement contained herein, and duly acknowledge to me that he/she executed the same freely voluntarily for the uses and purposes therein mentioned.

NOTARY PUBLIC (SEAL)

NOTARY: (for Parent/Legal Guardian. Applies only if student is under age)

On this ____ day of _____ 20__, before me appeared _____ who executed the agreement contained herein, and duly acknowledge to me that he/she executed the same freely voluntarily for the uses and purposes therein mentioned.

NOTARY PUBLIC (SEAL)