



**2009/2010 EDUCATIONAL ASSISTANCE PROGRAM  
PROMISSORY NOTE/ MEMORANDUM OF AGREEMENT**

**THIS PROMISSORY NOTE/MEMORANDUM OF AGREEMENT**  
made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between  
the Government of the Commonwealth of the Northern Marianas and  
\_\_\_\_\_ hereinafter referred to as the “Debtor”.

(First MI. Last)

**WITNESSETH**

**WHEREAS**, pursuant to Section 211, Executive Order 94-3, all functions  
of the Northern Marianas College Board of Regents relating to student scholarships are  
transferred to the Office of the Governor;

**WHEREAS**, the Scholarship Office (the “Lender”) is sanctioned to  
administer all programs of student scholarships and financial assistance for education;

**WHEREAS**, the educational assistance program is established to provide  
financial support to eligible residents of the Commonwealth of the Northern Marianas  
Islands (the “Commonwealth”) who desire to pursue post secondary studies and training  
on the condition that recipients of the program shall return to the Commonwealth to  
work, in recognition of the scarcity of trained manpower in the Commonwealth;

**NOW, THEREFORE**, in consideration of the financial assistance  
provided to the Debtor by the Commonwealth of the Northern Marianas through the  
Lender, the Debtor agrees, covenants and represents as follows:

1. The Debtor is admitted or enrolled in \_\_\_\_\_ (name  
of institution), an accredited, recognized post-secondary educational institution,  
pursuing a \_\_\_\_\_ (type of degree or certificate) in the  
field of \_\_\_\_\_ (field of study).
2. The Debtor shall utilize all financial assistance awarded towards educational  
expenses related to attendance and continued attendance at said institution and  
shall carry a full-time load of credits.
3. The Debtor shall complete the required credits each academic term for the award  
received (circle one):
  - i. EAP Undergraduate Full-time: Twelve (12) credits
  - ii. EAP Undergraduate Part-time: credits awarded
  - iii. Graduate & Professional Full-time: Nine (9) credits or as defined  
by the institution.
4. The Debtor shall maintain at the end of each academic term the required  
cumulative grade point average, as follows (circle one):
  - i. EAP Undergraduate: 2.25 Cumulative GPA

- ii. Merit Incentive Awards: as defined on section VI(a,b & c)
- iii. Graduate & Professional: as required by the institution to remain enrolled.

5. The Debtor shall submit copies of his/her grade report promptly after the conclusion of each academic term to the Scholarship Office. Such submittal will determine the eligibility of continued assistance for subsequent term. At the end of each academic year, however, an official transcript must be sent directly from the school to the Scholarship Office.

6. The Debtor understands and accepts the following maximum duration of eligibility for financial assistance from the Scholarship Office:

2 ½ Academic Years	-	Associate Degree
4 ½ Academic Years	-	Bachelor’s Degree*
2 Academic Years	-	Graduate
3 Academic Years	-	Juris Doctor
6 ½ Academic Years	-	Advance Degree directly providing health care, e.g. MD, DDS, OD.

*\*maximum of 5 Academic Years for specialized majors as required by the Institution.*

7. The Debtor is not pursuing an academic program that leads to a Religious Studies degree.

8. The Debtor 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 Debtor further agrees to perform Commonwealth Work for a period equal to the period for which the Debtor received financial assistance from the Lender. For each such six (6) month period of Commonwealth Work, the Lender will consider the Debtor to have repaid the equivalent value of the loan the Debtor accepted for one academic term. The Debtor 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 Debtor understands and agrees that failure to comply with any part of sections 1-8 of this Promissory Note/Memorandum of Agreement will constitute a material breach of the note and a default and will require the Debtor to pay the entire award received. If such a default occurs, the Debtor must repay their entire debt to Lender with equal monthly payments within (6) years of the default. The Debtor 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
\$1,000-\$4,999	\$84-\$417	\$42-\$209	\$28-\$139	\$21-\$104	\$17-\$84	\$14-\$70
\$5,000-\$9,999	\$417-\$834	\$209-\$417	\$139-\$278	\$104-\$209	\$84-\$167	\$70-\$139
\$10,000-\$14,999	\$834-\$1,250	\$417-\$625	\$278-\$417	\$209-\$313	\$167-\$250	\$139-\$209
\$15,000-\$19,999	\$1,250-\$1,667	\$625-\$834	\$417-\$556	\$313-\$417	\$250-\$334	\$209-\$278
\$20,000-\$24,999	\$1,667-\$2,084	\$834-\$1,042	\$556-\$694	\$417-\$521	\$334-\$417	\$278-\$348
\$25,000-\$29,999	\$2,084-\$2,500	\$1,042-\$1,250	\$694-\$834	\$521-\$625	\$417-\$500	\$348-\$417
\$30,000-\$34,999	\$2,500-\$2,917	\$1,250-\$1,459	\$834-\$973	\$625-\$730	\$500-\$584	\$417-\$487
\$35,000-\$40,000	\$2,917-\$3,334	\$1,459-\$1,667	\$973-\$1,111	\$730-\$834	\$584-\$667	\$487-\$556

The Debtor must inform the Lender of which repayment schedule he or she has accepted within thirty (30) days of the default. If the Debtor does not select a repayment schedule within thirty (30) days, the Debtor will be deemed to have selected the “Per Month 72 Months” repayment schedule listed above. Debtor’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 Debtor repays the entire debt to the Lender. Note: The Debtor may pay the balance in full at any time within the schedule plan.

10. If the Debtor 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 Lender, 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.
11. **Military Deferral.** The time for the Debtor to comply with the requirements of Section 8, above, shall be extended upon request if the Debtor enlists in the armed forces of the United States of America. Specifically, the Debtor’s obligation to comply with the requirements of Section 8 shall be deferred, upon request, until the Debtor’s service in the armed forces ends. Debtor 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 Debtor’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 Debtor shall have to comply with the requirements of Section 8. All deferrals granted under this section are not valid unless in writing. The Debtor must renew his or her deferral annually.
12. 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.

13. The student 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.
  
14. 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.

**IN WITNESS WHEREOF**, the recipient has hereunto set his/her hand the date first above written.

\_\_\_\_\_  
Student Signature

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Date

**NOTARY PUBLIC:**

**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 (Print & Sign)

(SEAL)

**NOTARY: (for Parent/Legal Guardian. Applies 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)