

EXHIBIT B

Nurse Faculty Loan Program Statement of Borrower's Rights and Responsibilities

1. I understand that I must, without exception, report any of the following changes to lending school if:
 - a. I withdraw as full-time nurse faculty from the school of nursing
 - b. I transfer my employment as full-time nurse faculty to another accredited school of nursing
 - c. I should be called to ACTIVE military service
 - d. I change my address
 - e. I change my name (for example, because of marriage)
2. I understand that when I graduate or withdraw from the lending school, I must be available for the school to conduct an exit interview.
3. I understand that the NFLP service obligation requires me to be employed as full-time nurse faculty in an accredited school of nursing. In return, I will receive partial loan cancellation of up to 85% of my unpaid loan balance (including interest) and postponement of installment payments of my NFLP loan while serving as full-time nurse faculty.
4. I understand that my first installment payment will be due following the 9 months after I, 1) graduate and do not establish full-time employment as nurse faculty; or 2) cease to be enrolled as a student.
5. I understand that if I terminate my employment as full-time nurse faculty at a school of nursing, repayment of the NFLP loan must begin after the 9-month grace period.
6. I understand that:
 - a. an annual percentage rate of 3 percent will be charged on the unpaid loan balance that will begin to accrue 3 months after I graduate from the advanced education nursing program
 - b. during the period of time that I am employed as full-time nurse faculty at a school of nursing, the unpaid loan balance will bear interest at 3 percent per annum
 - c. following graduation from the program and after the 9-month grace period, if I fail to establish full-time employment as nurse faculty the unpaid loan balance will bear interest at the prevailing market rate
 - d. if I cease to be employed full-time or terminate employment as nurse faculty at an accredited school of nursing, the unpaid loan balance will bear interest at the prevailing market rate
 - e. the cancellation provision is NOT available if I do not establish employment within 12 months following graduation from the program
7. I understand that cancellation of any remaining payment of the NFLP loan may be granted for death or permanent and total disability. I also understand that I must inform the lending school of my disability and provide documentation.
8. I understand that I am eligible for deferment for up to 3 years, (1) if I am ordered to active duty as a member of a uniformed service of the United States (Army, Navy, Marine Corps, Air Force, Coast Guard, the National Oceanic and Atmospheric Administration Corps, or the U.S. Public Health Service Commissioned Corps); if I voluntarily join a uniformed service, I am NOT eligible for deferment, nor if I am employed by one of the uniformed services in a civilian capacity, or (2) if I graduate and am employed, and decide to return to a graduate nursing education program to pursue a doctoral degree to further my preparation as nurse faculty. During periods of deferment, interest on the loan continues to accrue at the prevailing market rate but is not required to be paid during this period. During the period of deferment, the borrower may repay the interest if they wish but is not required to do so.

EXHIBIT B continued

- 9. I understand that the lending school may, based on its discretion, place my NFLP loan in forbearance when extraordinary circumstances such as poor health or hardships temporarily affect my ability to make scheduled loan repayments.
- 10. I understand that if I fail to repay my loan as agreed in the NFLP Promissory Note, the total loan may become due and payable immediately and legal action could be taken against me.
- 11. I understand that I must promptly answer any communication from the lending school regarding my NFLP loan.
- 12. I authorize the lending school to contact any school of nursing in which I may be employed, to obtain information concerning my employment status, my period of employment or termination, my transfer to another school of nursing, or my current address.
- 13. I authorize the lending school to report any delinquency or default on this loan to credit bureaus.

ANNUAL PERCENTAGE RATE	AMOUNT of LOAN	PREPAYMENT
The annual percentage rate on the NFLP loan: <u>3 percent or the Prevailing Market Rate</u> – As determined by the borrower status.	The amount of NFLP loan(s) made to you. \$ _____	If you pay off early, you will not have to pay a penalty. See the Promissory Note for any additional information about nonpayment, default, and any required repayment in full before the schedule date.

I understand I have a right to request an itemization of the loan amount(s) awarded. I do ___/do not ___ request an itemization.

I have received a copy of this statement.

 (Signature of Student) (Student I.D. Number) (Date)