

INFORMATION

THE UNIVERSITY OF TENNESSEE- KNOXVILLE
 OFFICE OF THE BURSAR-LOAN DEPARTMENT
 211 STUDENT SERVICES BUILDING
 KNOXVILLE, TENNESSEE 37996-0225
 TELEPHONE: 865-974-4497
 1-800-737-2988

APPLICATION

University of Tennessee Student Loans are available to enrolled qualified students in need of funds to meet their required school expenses. The funds are derived from gifts and bequests of University friends and former students and are administered by the Board of Trustees through the Office of Financial Aids. Loans will not be approved and no funds will be advanced until the application process is complete. The following procedures must be completed.

1. A formal application must be made in the Financial Aid Office before the loan may be awarded.
2. The Promissory Note and the Initial Interview Form must be completed:
 - (a) The student borrower (Principal) must sign the Promissory Note and complete an Initial Interview Form.
 - (b) The Surety must sign the Promissory Note and complete the required information. The Surety's signature must be notarized.
3. The Promissory Note and Initial Interview Form must be returned to the Office of the Bursar, Student Loan Department.
4. When the required forms are completed, the Office of the Bursar will request a credit bureau file on the Surety.

Upon satisfactory completion of the application, the Office of the Bursar will request that a check be printed and will disburse the first loan advance.

SURETY

The Surety must be solvent, reliable and good for the amount of the note. The University will require a satisfactory credit bureau report on the Surety before any loan funds will be advanced. In addition, the Surety must not be a student, the borrower's spouse, a University employee, or in default on any obligation to the University.

LOAN AMOUNTS

The Promissory Note may cover from one to three terms during a fiscal year beginning July 1 and may not exceed the amount equal to one and one-half the maximum in-state fees per term of enrollment. The total loan advances cannot exceed the amounts stated in the Promissory Note, a copy of which is provided to the Principal and the Surety.

INTEREST

Interest at the rate stated on the Promissory Note will accrue from the date of each advance. Accumulated interest is payable on July 1 of each year while the borrower is enrolled at the University of Tennessee-Knoxville. When repayment of the principal begins, a portion of each payment will be applied to the interest which has accrued since the previous payment.

EXIT INTERVIEW

It is the student's responsibility to notify the Office of the Bursar when withdrawing, graduating, or transferring from UT-K. An Exit Interview Form must be completed to leave a forwarding address and to review the repayment provisions of the loan. Any change of address must be reported to the Bursar's Office promptly.

REPAYMENT

Repayment of principal, together with any unpaid accrued interest thereon, shall be made over a period commencing the sixth month following graduation, withdrawal or transfer from the University of Tennessee at Knoxville, or following the date on which the borrower ceases to carry at least one-half the normal full-time academic workload as defined by the University. Repayment of principal, together with interest thereon, shall be made in monthly installments at the rate of not less than \$30.00 per month plus accumulated interest, or 1/36 of the amount of this note, plus accumulated interest, whichever is greater.

DEFERMENT

A Borrower who is serving on full-time active duty in the United States Armed Forces is eligible to have loan principal and interest payments deferred for a period not to exceed three years (36 months). At the end of the deferment, the borrower's six month grace period will be reinstated. Normal monthly principal and interest payments will resume at the end of the grace period. The Armed Forces are defined as the U.S. Army, Navy, Air Force, Marines and Coast Guard. Also, members of the National Oceanic and Atmospheric Administration Corps and Officers in the Commissioned Corps of the U.S. Public Health Service are eligible while they are on full-time active duty.

CANCELLATION

In the event of the borrower's death, the outstanding loan principal plus all accrued interest will be canceled when a death certificate is provided to the Student Loan department of The University of Tennessee. The outstanding loan principal plus all accrued interest may be canceled at the request of the borrower or his/her representative if The University determines that the borrower has become permanently and totally disabled after loan funds have been disbursed. Permanent and total disability means the inability to work and earn money because of a medically determinable impairment that is expected to continue for an indefinite period or result in death.

*Invoices are mailed each month, and payments must be received by the student loan department on or before the 25th day of each month. Your repayment is not contingent upon receipt of the monthly invoice.