

**2021 COHORT South Carolina Teaching Fellows Program
Master Promissory Note & Fellowship Loan Agreement**

THIS PROMISSORY NOTE AND FELLOWSHIP LOAN AGREEMENT (hereinafter "the Note") is by and among the undersigned maker (hereinafter "the Fellow"), the Fellow's surety ("Surety") and the South Carolina Teaching Fellows Program (hereinafter "the Program") of the State of South Carolina administered by the South Carolina Center for Educator Recruitment, Retention and Advancement (referred to herein as "CERRA").

WHEREAS, the South Carolina Teaching Fellows Program is designed to identify academically talented students interested in teaching and to assist those students in becoming teachers by the award of fellowship loans for up to four (4) years of undergraduate study, which loan is forgivable and may be repaid through the means of service as specifically set forth herein below; and,

WHEREAS, the Fellow has been selected by the Program to participate in the South Carolina Teaching Fellows Program and to receive fellowship loans thereunder.

NOW, THEREFORE, for and in consideration of the award of a fellowship loan for each of the Fellow's four (4) academic years of undergraduate study, the Fellow and Surety jointly and severally agree and promise to pay to the Program, its successors or any subsequent holder of this Note, the total principal amount of all funds advanced to the Fellow under this Note, up to the maximum amount of Twenty Four Thousand and No/100 Dollars (\$24,000.00), with interest on the unpaid principal at the rate of the Stafford Student Loan Program per annum not to exceed 10.25%, subject to the following terms and conditions:

1. **FELLOWSHIP LOANS** Funding for the South Carolina Teaching Fellows Program is approved annually by the South Carolina General Assembly. Provided that (1) Teaching Fellows funding is approved and (2) the Fellow continuously complies with all of the terms, conditions, and policies of the Program and institutions of higher education, the Program shall award a fellowship loan of up to Six Thousand and No/100 Dollars (\$6,000.00) to the Fellow at the beginning of each of the Fellow's four (4) years of undergraduate study, subject to the terms and conditions hereinafter set forth or incorporated by reference. Fellowship loans are sent directly to the participating Teaching Fellows Institution. The parties agree that the fellowship loan constitutes "funds received as an educational benefit, scholarship, or stipend" for purposes of the Title 11 of the United States Code.
2. **MATURITY DATE** All indebtedness due hereunder including all interest and other fees as are authorized to be charged herein unless forgiven as set forth in paragraph 4 below, shall be due and payable in full 12 years from the date of execution by both the Fellow and the Surety, whichever date is later.
3. **ACADEMIC REQUIREMENTS** At all times during each of the Fellow's four (4) years of undergraduate study, the Fellow shall be a United States Citizen or permanent resident alien legally authorized to be in the United States, and
 - a) remain enrolled as a full-time student at the assigned institution of higher education participating in the South Carolina Teaching Fellows Program ("full-time" as used herein is defined in accordance with the institution's guidelines, including those in compliance with ADA and Section 504 of the Rehabilitation Act of 1973);
 - b) pursue continuously, as a full-time student, studies that will qualify the Fellow for certification to teach in South Carolina's public schools upon graduation;
 - c) maintain a minimum 2.80 cumulative TFI collegiate GPA and appropriate credit hours, including course work in his/her teaching field;
 - d) be admitted into the assigned institution's Teacher Education Program by his/her junior year;
 - e) participate in designated campus activities and supplementary programs such as summer or internship programs and other activities as directed by the Program, unless the Fellow receives an exemption from time to time from said activities pursuant to the procedure as designated by the Program or unless the Summer Programs or internships are either not conducted or designated as a required Fellow program component in any particular year; and
 - f) receive annual recommendation to continue as a Teaching Fellow by the Program.

Teaching Fellows shall be bound by the Teaching Fellows policies approved by the CERRA Board of Directors including any subsequent changes to the policies; however, should policy changes result in higher academic requirements, Fellows will be held to those requirements in place at the time the Fellow entered the Program, as specified in this Note.

The Fellow's failure to comply with any condition specified in this section shall result in removal from the Program and a Default of Academic Requirements hereunder. In the event that the Program determines such a default has occurred, the Program shall notify the Fellow in writing of its determination. Upon the Program's giving of such notice, interest at the rate stated herein shall begin to accrue on the unpaid portion of the principal sum. Repayment schedules will be set by the Program, and payments shall be made for no longer than a period of seven (7) years, beginning either on the 180th day following the Program's notice of Default of Academic Requirements to the Fellow, or on the 180th day following the termination of the Fellow's status as a full-time student in an undergraduate program, whichever event occurs later. The particular terms and conditions of repayment that apply to this Note shall be set forth in a separate document, known as a Repayment Schedule, that the Program shall provide to the Fellow before the repayment period begins.

4. **FORGIVENESS BY MEANS OF SERVICE** This Note shall be forgiven as provided by law and the policies of the Program if, within five (5) years following the Fellow's graduation from an institution of higher education participating in the South Carolina Teaching Fellows Program, the Fellow has been legally authorized to be employed in the United States and has served in South Carolina's public schools as a teacher or in another educationally related professional capacity as defined by the Program (e.g. media specialist, occupational therapist, school counselor/mental health counselor, school psychologist, school social worker, speech pathologist) on a full-time basis for a period of four (4) school years. For purposes of this section, "each full school year" is defined as teaching or working as a full-time professional in a South Carolina public school for not less than one hundred fifty two (152) days within one fiscal year. Service as a tutor, part-time teacher, administrator, or service in a nonpublic school or technical college or institution of higher education may not be used to discharge any amounts owing.
 - a) A Fellow will be allowed to use substitute teaching experience for loan forgiveness purposes, provided the Fellow completes 90 days of service for each ½ year of forgiveness, and each substitute teaching placement is continuous for a minimum of 20 days. Continuous shall be defined as no

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Surety's Initials: _____ Fellow's Initials: _____

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more than one instructional position and no more than two instructional assignments. The time served as a substitute shall not extend beyond two semesters or 180 days, whichever is less. The Fellow will need to provide verification of long-term substitution employment. If the Fellow is not certified, he/she will need to provide evidence of being in the process of seeking initial teacher certification.

b) Forgiveness by means of service is only available to Fellows who have graduated in good standing as participants in the Teaching Fellows program. Forgiveness by means of service is not available to Fellows who fail to complete and graduate from the Teaching Fellows program, even if the former Fellow is employed in a manner that would otherwise be qualifying service under this program.

5. **NOTICE OF INTENT TO SEEK FORGIVENESS** Within 90 days following the Fellow's graduation from the assigned institution of higher education participating in the South Carolina Teaching Fellows Program, the Fellow shall notify the Program of his/her intention to seek, or to forgo, forgiveness of the fellowship loans evidenced by this note by so affirming on the loan forgiveness form provided by the Program.

If the Fellow notifies the Program of the Fellow's intention to seek forgiveness of the fellowship loans evidenced by this Note, the Fellow annually thereafter shall provide the Program with a loan forgiveness form at the beginning and end of each school year, by the dates determined by the Program, until the required period of service is completed. Said loan forgiveness form shall be executed by the school system personnel responsible for employment records and documentation and certify for the applicable school year, that the Fellow has a position as a teacher or in another educationally related professional capacity as defined by the Program (e.g. media specialist, school counselor, school psychologist, school social worker and speech pathologist) on a full-time basis, or as a long-term substitute as defined in paragraph 4, in a South Carolina public school or a school operated by the federal government in South Carolina.

6. **EXTENSION OF FORGIVENESS PERIOD** Upon application of the Fellow, the five (5) year period for forgiveness of this Note through the means of service as provided herein may be extended by the Program as follows:

a) The Fellow is enrolled as a full-time graduate student at an institution of higher education, if the Fellow completed the Teaching Fellow program academic requirements as an undergraduate and received a qualifying degree from the assigned Teaching Fellows participating institution; however, in no event shall the Program grant more than three (3) such yearly extensions to the Fellow;

b) The Fellow is on active duty with the Armed Forces of the United States not to exceed five years; or

c) The Program, in its sole discretion, determines that the circumstances stated in the Fellow's application warrant an extension; however, in no event shall the Program grant more than three (3) such yearly extensions to the Fellow.

7. **ACCRUAL OF INTEREST** Except as otherwise provided herein, upon the Fellow's graduation from an institution of higher education, interest at the rate stated herein which will be fixed as of the earliest date of any of the following events shall begin to accrue on the unpaid portion of the principal sum of this Note. This Note shall become due and payable immediately upon the happening of any of the following events:

a) Notice to the Program by the Fellow in accordance with Paragraph 4 that the Fellow does not intend to seek forgiveness of this Note through the means of service as provided herein;

b) A determination by the Program that the Fellow does not intend to seek forgiveness of this Note through the means of service; or

c) A determination by the Program that the Fellow cannot receive forgiveness of this Note within the time frames specified in Paragraphs 4 and 6 hereof.

8. **USE OF FELLOWSHIP LOAN FUNDS** The Fellow hereby acknowledges and agrees that monies obtained as a result of signing this Note shall be used solely for the expenses of attending the assigned institution of higher education participating in the South Carolina Teaching Fellows Program for the purpose of preparing to become a teacher, including without limitation tuition, room and board, fees, books, supplies and equipment, laboratory expenses, transportation and other reasonable and CERRA -authorized education expenses. The cost of attendance must conform to Title IV of the Higher Education Act of 1965.

9. **SURETY** Surety agrees with the Fellow that the Surety undertakes responsibility to the State of South Carolina to pay all obligations due under this Note immediately upon any event of Default of Repayment. IT IS THE FELLOW'S RESPONSIBILITY TO KEEP THE SURETY INFORMED OF ANY DEFAULT, AND OF THE STATUS OF FELLOW'S REPAYMENT OR FORGIVENESS OF THIS NOTE. The Fellow and the surety together affirm that the surety to this Note is over twenty-one (21) years of age, a U.S. citizen or permanent resident alien legally residing within the United States and a resident of South Carolina, is regularly employed and has assets sufficient to repay the indebtedness evidenced by this Note in the event that the Fellow does not fulfill the requirements for forgiveness of the Note by means of service. Surety consents to the personal jurisdiction of the courts of the State of South Carolina for all claims arising from this Note and the Surety's undertaking. For applicants under eighteen (18) years of age, the surety must be a parent or guardian.

10. **WAIVER** The Fellow and Surety to this Note hereby waive presentment for payment, demand, protest, nonpayment and dishonor and any and all other notices and demands whatsoever and agree that any extension or extensions of time for payment of this Note for a definite or indefinite time shall not affect their liability hereunder and hereby waive all notice of such extension. The Fellow and the surety acknowledge and agree that the Program, its successors or subsequent holders of this Note may accept payments on account of principal and interest after maturity. The Fellow and the surety agree to continue and remain jointly and severally bound hereunder until payment is made in full either by repayment of the indebtedness evidenced by this Note or by forgiveness by means of service as provided herein.

11. **LIABILITY FOR COLLECTION EXPENSES** The Fellow and the surety acknowledge and agree that if the repayment obligations of the loan agreement are in default, and in the event the CERRA Board of Directors refers all or any portion of the unpaid principal or interest evidenced by this Note to an attorney or collection agency for collection, the Fellow and the surety jointly and severally agree to reimburse CERRA, or any subsequent holder of this Note, the fees of any collection agency, which may be based on a percentage at a maximum of thirty-three (33.3%) percent of the debt, in addition to all attorney fees and the costs of collection resulting from and related to said referral. CERRA will not recall debts from collection referrals absent a determination by CERRA that the debt was not in default and, in any event, Fellow and surety shall be liable for any fees associated with the referral to a collection agency, in the maximum amount set forth in this paragraph, in CERRA's discretion, and, in addition, shall be liable for all attorneys fees and costs of collection.

12. **TRANSFER** The Fellow and the surety acknowledge and agree that the CERRA Board of Directors may transfer, assign, or negotiate this Note and the underlying indebtedness and upon such transfer, the undersigned shall have the same rights and responsibilities with regard to the new holder

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Surety's Initials: _____ **Fellow's Initials:** _____

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that the undersigned had with regard to CERRA.

13. **REPAYMENT** Whenever repayment of the indebtedness evidenced by this Note is referred to herein, including without limitation in Paragraphs 2 and 7, repayment shall be made on a monthly basis over the period not exceeding seven (7) years and the first installment shall be due on the 180th day following CERRA's written notice to the Fellow. The particular terms and conditions of repayment shall be set forth in a separate document, known as a Repayment Schedule that CERRA shall provide to the Fellow prior to the beginning of the repayment period.
14. **DEATH OR DISABILITY** The loan shall be forgiven upon the death of a Fellow. Within the discretion of CERRA, the loan may be forgiven if the Fellow suffers total and permanent disability.
15. **DEFAULT** The provisions of Section 3 notwithstanding, in the event of default, the CERRA Board of Directors may declare the entire unpaid amount of indebtedness evidenced by this Note, including interest, immediately due and payable. A default hereunder shall preclude further participation by the Fellow in the South Carolina Teaching Fellows Program. The following events in addition to those otherwise set forth herein and not by way of limitation, shall be considered a default hereunder:
 - a) Failure to meet required GPA and credit hours;
 - b) Failure to maintain satisfactory progress toward graduation with licensure to teach as defined by the institution and State of South Carolina;
 - c) Failure to comply with any of the terms and conditions stated herein;
 - d) Failure to pursue a full-time program in teacher education or course work leading to teacher certification, or permanent withdrawal from college for any reason;
 - e) Failure to be admitted to the college's teacher education program by the junior year;
 - f) Withdrawal or expulsion from the college or university;
 - g) Failure to notify CERRA of a change in the Fellow's name, address, telephone number or school enrollment status within thirty (30) days of the change;
 - h) Failure to notify CERRA in writing within ninety (90) days of the Fellow's graduation of the Fellow's intentions concerning forgiveness of the indebtedness evidenced by this Note;
 - i) Insolvency, assignment for the benefit of creditors or the filing of a petition in bankruptcy by or on behalf of the Fellow;
 - j) Use of the proceeds of this Note for other than payment of costs of attendance at an institution of higher education participating in the South Carolina Teaching Fellows Program;
 - k) Any representation, warranty or statement made or furnished to CERRA by or on behalf of the Fellow in connection with this Note proving to have been false in any material respect when made or furnished;
 - l) Failure to perform any obligation, liability or agreement contained or referred to herein, including adherence to the Repayment Schedule;
 - m) Conviction or plea of guilty of a felony or other crime other than minor traffic violations.
 - n) Failure to make a payment when due.
 - o) Determination that the Fellow is illegally within the United States.

Failure of the CERRA Board of Directors or any subsequent holder of this Note to exercise any option available to said holder shall not constitute a waiver of the right to exercise such option in the event of a future default. No delay or omission on the part of the CERRA Board of Directors or any subsequent holder of this note in exercising any right hereunder shall operate as a waiver of such right or of any other right of such holder nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion.

Upon default, CERRA will notify the Fellow, in writing, of such default. The notice of default will be by certified mail, return receipt requested, and regular U.S. mail addressed to the Fellow at the last address on file with CERRA. Refusal or non-delivery at that address shall be deemed delivery after seven (7) days.

Upon default, CERRA may disclose that the Fellow has defaulted, along with other relevant information, to the surety and to credit bureau organizations.

16. **WAIVER OF JURY TRIAL** CERRA, Fellow and Surety hereby acknowledge and agree that they have irrevocably waived their respective rights to a jury trial with respect to any action, claim or other proceeding arising out of any dispute in connection with this note, any rights or obligations hereunder, or the performance of such rights and obligations.
17. **GENERAL PROVISIONS** The Fellow hereby acknowledges receipt of a copy of this Note. This Note shall be deemed to have been made under and shall be governed by the laws of the State of South Carolina in all respects, including matters of construction, validity and performance. The indebtedness evidenced by this Note is unsecured and the Fellow shall not be obligated to provide security for this Note. The Fellow acknowledges and agrees that even though the Fellow may be under eighteen (18) years of age, the Fellow is legally obligated for repayment of this Note.
18. **FELLOW'S RESPONSIBILITY** The Fellow hereby acknowledges and agrees that so long as said Fellow is participating in the South Carolina Teaching Fellows Program, said Fellow shall:
 - a) Report grades and credit hours to the designated campus director each semester;
 - b) Keep a current name, address and telephone number on file with CERRA;
 - c) Participate in the evaluation of the South Carolina Teaching Fellows Program;
 - d) Assist with the orientation of new Fellows and, when possible, participate in the recruitment of future Fellows;
 - e) Participate in designated campus activities and summer programs unless specifically exempted by the South Carolina Teaching Fellows Program.
19. **FELLOW'S FOLLOW-UP** The Fellow acknowledges and agrees that following said Fellow's graduation the Fellow shall:
 - a) Keep current name, address, telephone number and employment information of the Fellow and the Surety on file with CERRA until loan forgiveness is achieved;
 - b) Complete any and all surveys designed for research and longitudinal study purposes; and,
 - c) Complete the loan forgiveness form annually as provided in Paragraph 5 hereof.

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Surety's Initials: _____ Fellow's Initials: _____

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20. **SUPPLEMENTARY PROGRAMS AND ESCROW** The CERRA Board of Directors may elect not to conduct or require supplementary programs such as summer or internship programs. The CERRA Board of Directors will place up to \$300 of each award per year in escrow to cover the expenses of the Fellow's required supplementary programs. If the Fellow does not participate in a supplementary program for which the funds are escrowed, because it is not conducted or required, the escrowed funds will revert to CERRA and will not be included in the Fellow's award or loan repayment amount.
21. **PREPAYMENT** The Fellow or the surety may prepay, without penalty, any or all of the principal or accrued interest evidenced by this Note at any time.
22. **INVALID PROVISION** Wherever possible, each provision of this Note shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of any such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note.
23. **PARAGRAPH HEADINGS** The paragraph headings are for the convenience of reference only and shall not be considered terms of this Note. Whenever required by the context, the masculine gender shall include the feminine, the singular, the plural and vice-versa.
24. **NOTICE** Notices pursuant to this Note shall be in writing delivered in person or by first class and certified or registered United States mail, return receipt requested. The last or best known address on file with CERRA shall be utilized and refusal or non-delivery at said address shall be deemed delivery after seven (7) days.
25. **AMENDMENT** This Note may not be altered, amended or modified except by a writing signed by all of the parties hereto, and any written waiver of any requirement by all parties shall be for that one (1) occasion and shall not be continued unless expressly so provided in writing.
26. **BINDING EFFECT** This Note shall be binding upon the Fellow and the surety thereof shall insure to the benefit of and be enforceable by CERRA, its successors, transferees and assigns.

FELLOW:

 Legal Signature [SEAL]

 Print Name Signed Above

_____ Social Security Number		_____ Date of Birth		
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 Street Address

 City/State/Zip

STATE OF SOUTH CAROLINA
 COUNTY OF _____

I, _____, a Notary Public in and for said County and State, do hereby certify that
 _____, whose name is subscribed to the forgoing
Teaching Fellow

Note, personally appeared before me on this _____ day of _____, 20____ and acknowledge the due execution of the above note.

WITNESS my hand and notarial seal, this the _____ day of _____, 20_____.

My Commission Expires: _____
Notary Public

SURETY: *

Legal Signature [SEAL]

Print Name Signed Above

Social Security Number | Date of Birth |

Street Address

City/State/Zip

STATE OF SOUTH CAROLINA –

COUNTY OF _____

I, _____, a Notary Public in and for said County and State, do hereby certify that

_____, whose name is subscribed to the forgoing Note, personally appeared before me on this _____
day of _____, 20_____ and acknowledge the due execution of the above note.

WITNESS my hand and notarial seal, this the _____ day of _____, 20_____.

My Commission Expires: _____
Notary Public

*** This document must be executed by the Fellow's parent or guardian if the Fellow is under eighteen (18) years of age as of the date of execution. If the Fellow is eighteen (18) years of age or older, he/she must obtain the signature of a surety who is at least twenty-one (21) years of age and is a United States citizen or permanent resident alien of the United States. This surety may be the parent or guardian.**