



Bootstraps Interest-free Loan Promissory Note and Loan Agreement

This Loan Agreement (Agreement) is by and between Bootstraps, Inc. (hereinafter referred to as Bootstraps), with its address at PO Box 253, Evergreen, CO 80437; and

BORROWER INFORMATION (ALL FIELDS REQUIRED)

1. Name (hereinafter referred to as Borrower) _____

2. Permanent Mailing Address

Street/PO Box

City/State/Zip

3. Social Security Number _____ - _____ - _____

4. Date of Birth (mm/dd/yyyy) ____/____/____

5. Email Address _____

6. Cell Phone Number _____ - _____ - _____

REFERENCE INFORMATION

List two persons, **each residing at a different address**, who have known Borrower for at least three years. **The first reference should be a parent or legal guardian.**

7. First Name: _____ Middle Initial: _____ Last Name: _____

Permanent Address (Street, City, State, Zip Code):

Email Address: _____

Area Code/Telephone Number: _____ - _____ - _____

Relationship to Borrower: _____

8. First Name: _____ Middle Initial: _____ Last Name: _____

Permanent Address (Street, City, State, Zip Code):

Email Address: _____

Area Code/Telephone Number: _____ - _____ - _____

Relationship to Borrower: _____

SCHOOL INFORMATION

9. School Name: _____

10. Certificate or Degree to be Awarded: _____

11. Expected Graduation Date (mm/yyyy): ____/____

TERMS AND CONDITIONS

INTEREST

Borrower loan carries an interest rate of 0% while Borrower is enrolled in school for at least 12 credit-hours per semester. Borrower loan will continue to carry a rate of 0% after Borrower leaves school providing all payments are made monthly by the due date.

LOAN FEE

There are no loan fees associated with Borrower loan.

LATE CHARGES, DEFAULT, AND COLLECTION COSTS

Bootstraps may collect from Borrower:

- A late charge of not more than \$10 if Borrower monthly payment is more than 30 days late.
- If payments have not been received for three consecutive months or if more than six payments are missed in a 12-month period, this loan will be declared in default, and interest will be charged at the rate of 1-1/2 percent per month (18 percent APR) on the entire loan balance from the date repayment was to commence (six months after graduation) or the date the last payment was received, whichever is latest. In addition, Bootstraps may commence collection proceedings for which Borrower would pay reasonable attorney's fees and all other costs for the collection of amounts owed on this agreement, as permitted by law. As of April 2017, the rate charged for collection is 25% of the loan balance including accrued interest. Additional charges may also apply.

GRACE PERIOD

Borrower will receive a 6-month grace period on repayment of Borrower Bootstraps loan(s). The grace period begins the day after Borrower ceases to be enrolled for at least 12-credit hours at an eligible school.

REPAYMENT

Borrower must repay the full amount of the loan made under this agreement. Borrower will repay this loan in monthly installments during a repayment period that begins on the day immediately following Borrower's 6-month grace period.

Borrower has a choice of repayment plans. Borrower will select a repayment plan at the end of the grace period. If Borrower does not select a repayment plan, Bootstraps will choose a plan for Borrower. The combined balance of all Borrower's Bootstraps loans will be used to determine Borrower's monthly payment.

Standard Repayment Plan

Under the Standard Repayment Plan, Borrower will make fixed monthly payments and repay Borrower's loan in full according to the following table (not including periods of deferment or forbearance).

Standard Repayment Plan		
Loan Balance	Number of Mo. Payments	Monthly Payment
\$15,000	75	\$200
\$14,000	75	\$187
\$13,000	75	\$173
\$12,000	75	\$160
\$11,000	75	\$147
\$10,000	75	\$133
\$9,000	68	\$132
\$8,000	68	\$118
\$7,000	60	\$117
\$6,000	60	\$100
\$5,000	50	\$100
\$4,000	40	\$100
\$3,000	36	\$83
\$2,000	24	\$83
\$1,000	18	\$56

Extended Repayment Plan

Borrower is eligible for the Extended Repayment Plan only if (1) Borrower has an outstanding balance on Direct Loans that exceeds \$30,000, or (2) Borrower's Bootstraps Loan balance at the time repayment commences is \$10,000 or more.

Under the Extended Repayment Plan, Borrower will make fixed monthly payments and repay the loan in full according to the following table (not including periods of deferment or forbearance) over a period not to exceed ten years.

Extended Repayment Plan		
Loan Balance	Number of Mo. Payments	Monthly Payment
\$15,000	120	\$125
\$14,000	120	\$117
\$13,000	120	\$108
\$12,000	120	\$100
\$11,000	120	\$92
\$10,000	120	\$83

Once Borrower chooses a repayment plan, Bootstraps will provide Borrower with a repayment schedule that identifies Borrower payment amounts and due dates. If Borrower intends to repay Borrower's loan but is unable to make Borrower's scheduled loan payments, Bootstraps may grant Borrower a forbearance that allows Borrower to temporarily stop making payments or to temporarily make a smaller payment amount, which extends the time for making payments.

Borrower may prepay all or any part of the unpaid balance on Borrower's loan(s) at any time.

Borrower must make payments on Borrower's loan even if Borrower does not receive a bill or repayment notice.

ACCELERATION AND DEFAULT

At the option of Bootstraps, the entire unpaid balance of a loan made under this agreement will become immediately due and payable (this is called "acceleration") if Borrower defaults on the loan.

Borrower will be considered in default on Borrower's loan(s) if:

1. Payments have not been received for three consecutive months, or
2. Borrower has missed more than six payments in a 12-month period.

LEGAL NOTICES

Any notice required to be given to Borrower will be effective if it is sent by first-class mail to the most recent address that Bootstraps has for Borrower, by electronic means to an email address Borrower has provided, or by any other method of notification that is permitted or required by applicable law and regulation. **Borrower must immediately notify Bootstraps of a change in Borrower's contact information or status.**

If Bootstraps does not enforce or insist on compliance with any term of this agreement, it does not waive any of its rights or the terms set forth herein. No provision of this agreement may be modified or waived, unless done so in writing. If any provision of this agreement is determined to be unenforceable, the remaining provisions will remain in force.

USE OF BORROWER'S LOAN MONEY

Borrower may use the loan money Borrower receives only to pay for Borrower's authorized educational expenses for attendance at the school listed on page 1 of this Agreement. Authorized expenses include the following:

- Tuition
- Room
- Board
- Institutional fees
- Books
- Supplies
- Equipment
- Dependent care expenses
- Transportation
- Commuting expenses
- Rental or purchase of a personal computer
- Other documented, authorized costs as approved by Bootstraps.

INFORMATION BORROWER MUST REPORT TO BOOTSTRAPS AFTER BORROWER RECEIVES A LOAN

Until Borrower graduates or otherwise leaves school, Borrower must notify Bootstraps if Borrower:

- Changes Borrower's address or telephone number;
- Changes Borrower's name (for example, maiden name to married name);
- Is not enrolled in at least 12 credit-hours;
- Stops attending school; or
- Graduates.

REPAYING BORROWER'S LOAN

The repayment period for loan(s) begins on the day after Borrower's grace period ends.

DEFERMENT AND FORBEARANCE (POSTPONING PAYMENTS)

General

If Borrower meets certain requirements, Borrower may receive a **deferment** that allows Borrower to temporarily stop making payments on Borrower's loan. If Borrower cannot make Borrower's scheduled loan payments, but does not qualify for a deferment, Bootstraps may give Borrower a **forbearance**. A forbearance allows Borrower to temporarily stop making payments on Borrower's loan, temporarily make smaller payments, or extend the time for making payments.

Deferment

Borrower may receive a deferment:

- While Borrower is in a full-time course of study in a graduate program;
- While Borrower is in an approved full-time rehabilitation program for individuals with disabilities;
- While Borrower is unemployed (for a maximum of three years; Borrower must be diligently seeking, but unable to find, full-time employment);
- While Borrower is experiencing an economic hardship (including Peace Corps service for a maximum of three years);
- While Borrower is serving on active duty during a war or other military operation or national emergency or performing qualifying National Guard duty during a war or other military operation or national emergency.

Forbearance

Bootstraps may give Borrower a forbearance if Borrower is temporarily unable to make Borrower's scheduled loan payments for reasons including, but not limited to, financial hardship and illness.

DISCHARGE (HAVING BORROWER'S LOAN FORGIVEN)

Bootstraps will discharge (forgive) Borrower's loan if:

- Borrower dies.
- Borrower's loan is discharged in bankruptcy after Borrower has proven to the bankruptcy court that repaying the loan would cause undue hardship. Direct Loans are not automatically discharged if Borrower files for bankruptcy.
- Borrower becomes totally and permanently disabled and meet certain other requirements.

PROMISE TO PAY

Borrower promises to pay Bootstraps all loan amounts disbursed under the terms of this Agreement. If Borrower does not make a payment on a loan made under this Agreement when it is due, Borrower will also pay reasonable collection costs, including but not limited to attorney fees, court costs, and other fees.

Borrower's signature certifies that Borrower has read, understands, and agrees to the terms and conditions of this Agreement.

Amount of Loan: \$

Borrower's Signature: _____ Date: _____