

Promissory Note Education Loan

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|---|---|------------------------|
| 1. Name & Permanent Address | 2. Social Security Number | |
| | 3. Student ID | |
| | 4. Date of Birth | |
| | 5. Telephone Number | |
| | 6. Driver's License State and Number | 00 |
| | 7. School Name, Address, & Phone number DORSEY SCHOOL OF BUSINESS 31799 John R Road Madison Heights, MI 48071 | 8. Fund Code/Fund Name |
| 9. Interest Rate | | 0.000 |
| 10. Loan Amount | | |
| 11. Loan Period | | |
| In this Application and Promissory Note, the words "I," "me," "my," and "mine" mean the Student Borrower. The words "you," "your," "yours," and "Lender" mean the School, its successors and assigns, and any other holder of this Application and Promissory Note. | | |

A. PROMISE TO PAY

I promise to pay to you the total principal sum of the Loan which includes amounts credited to pay for tuition, other fees and books at the School under the terms of this Promissory Note (the "Note"), Returned Payment Fees, late charges, interest and other fees, charges and costs as provided in this Note and the related Disclosure Statement which is incorporated herein by this reference.

B. IMPORTANT – READ THIS CAREFULLY

I understand that you will send me an Approval Disclosure Statement under the Federal Truth in Lending Act if you agree to make this loan to me. I understand that I will have up to 30 days to decide whether to accept the offer described in the Approval Disclosure Statement. I understand that if I accept your offer by communicating my acceptance of the terms of the loan in the manner described in the Approval Disclosure Statement, I will receive a Final Disclosure Statement under the Truth in Lending Act. Unless I revoke my acceptance of the loan within the period specified in the Final Disclosure Statement, you will disburse the loan by crediting the amount of the loan to the tuition and fees that I owe the School. The Approval and Final Disclosure Statements are incorporated by reference herein. In the event of a conflict between the Final Disclosure Statement and this Promissory Note, the Final Disclosure Statement shall govern.

C. DEFINITIONS

1. "Application" means the written, on-line or oral (including telephonic) request that I make to you for a Loan.
2. "Approval Disclosure Statement" means a closed-end disclosure statement under the federal Truth-in-Lending Act provided to me if you decide to make a Loan to me.
3. "Disbursement Date" means the date on which you lend money to me in consideration for this Note and will be the date which the loan proceeds are credited to my account to pay for tuition, other costs and fees at the School.

4. "Final Disclosure Statement" means a closed-end disclosure statement under the Federal Truth-in-Lending Act provided to me if I am approved for a Loan by you and I accept the offer of credit.
5. "Loan" means all principal sums disbursed, as may be designated by you, and other charges and fees that may become due as provided in this Note.
6. "Loan Amount Requested" means the dollar amount of the Loan requested at the time of the Application.
7. "Note" means this Promissory Note setting forth the terms applicable to my Loan. The term "Note" also includes the Application and Disclosure Statements, relating to my Loan that I obtain subject to the terms of this Note, unless otherwise provided.
8. "Repayment Period" means the period beginning one month after the Disbursement Date and continuing until the Note is paid in full.
9. "School" means school name, which I understand is also the Lender under this Promissory Note.

D. INTEREST

1. Interest Accrual: 0.000 interest will accrue on the principal amount of this loan outstanding. All accrued and unpaid interest will be added to the principal balance of this Loan on a monthly basis.

E. TERMS OF REPAYMENT

1. Repayment Period – During the Repayment Period I will make consecutive monthly payments in the indicated amounts by the payment due dates shown on my statements until I have paid all of the principal and any other charges I may owe under this Note.
2. Repayment Terms – My monthly payment will be established when my Repayment Period begins based on the rules in this Note. The amounts shown on my monthly statements will be consecutive monthly installments of principal to equal the amount necessary to pay in full the unpaid principal balance of my Loan (as of the date of calculation) in equal monthly installments over the number of months remaining in the Repayment Period.
3. Payments – Payments will be applied first to any fees and charges, and the remainder to principal.
4. Other Charges - I will pay a NSF Fee of \$15.00 for each payment on this Note returned for any reason, including but not limited to insufficient funds or stop payment order. When and as permitted by applicable law, I agree to pay you reasonable attorney's fees, court and other collection costs that you incur in enforcing the terms of this Note if I am in default.

F. RIGHT TO PREPAY

I have the right to prepay all or any part of my loan at any time without penalty. Any partial prepayment will be credited against the next payment due on my Loan.

G. DEFAULT

To the extent permitted by applicable law, I will be in default and you have the right to give me notice that the whole outstanding principal balance all other amounts payable to you under the terms of this Note are due and payable at once (subject to any applicable law which may give me a right to cure my default) if: (1) any loan payment is more than one hundred fifty (150) days past due, (2) I die, (3) I break any of my other promises in this Note that materially impairs my ability to pay the amounts owed, (4) any bankruptcy proceeding is begun by or against me, or I assign any of my assets for the benefits of my creditors, (5) I make any false statement in applying for this Loan or at any time during

the Repayment Period that materially impairs my ability to pay the amounts owed. If I am default, you may, at your option, add any unpaid late charges, Returned Payment Fees, interest or other charges outstanding at the time of default to the principal amount of my Loan.

H. AGREEMENT TO ARBITRATE

Any disputes, claims, or controversies between me and the School arising out of or relating to (i) this Note; (ii) any relationship resulting from this Note, or any activities in connection with the Note (including, without limitation, the Application, the disclosures provided or required to be provided in connection with this Note, including, without limitation, the Truth-in-Lending Disclosure Statement, or the underwriting, servicing or collection of the amounts financed under this Note); (iii) any services related to this Note; (iv) any claim, no matter how described, pleaded or styled, relating, in any manner, to any act or omission regarding in any way the obligations of the parties to this Note; or (v) any objection to arbitrability or the existence, scope, validity, construction, or enforceability of this Arbitration Agreement, shall be resolved pursuant to this Section J (the "Arbitration Agreement"). Notwithstanding the preceding sentence, the parties' agreement to arbitrate does not include a claim of less than \$5,000 brought in a small claims court or other similar court with limited jurisdictional amount and expedited procedure. For purposes of this Section I, the term "School" includes the School, its officers, directors, and employees, and its affiliates, subsidiaries, and parents, and any officers, directors, and employees of such entities.

I. RIGHT TO REJECT:

I may reject this Arbitration Agreement by mailing a signed rejection notice to 31799 John R Road, Madison Heights, MI 48071 Attention: Director of Financial Aid] within 30 days after the date I sign this Note. Any rejection notice must include my name, address, telephone number and loan or account number.

1. Choice of Arbitration Provider and Arbitration Rules – Unless the parties agree to an alternative, the arbitration shall be administered by the American Arbitration Association ("AAA") before a single arbitrator and under the AAA's Commercial Arbitration Rules, and applicable supplementary rules and procedures of the AAA, in effect at the time the arbitration is brought. Information about the arbitration process can be obtained from AAA at www.adr.org or 1-800-778-7879.
2. Location of Arbitration – All in-person hearings and conferences in the arbitration shall take place within city limits of the School's location unless the parties agree to hold such hearings and conferences in another location.
3. Choice of Law – The arbitrator shall apply the law of the state in which School is located and the substantive and procedural provisions of the Federal Arbitration Act (9 U.S.C. §§1-16) shall govern this Arbitration Agreement and any and all issues relating to the enforcement of the Arbitration Agreement and the arbitrability of claims between the parties.
4. Costs, Fees, and Expenses of Arbitration – Each party shall bear the expense of its own counsel, experts, witnesses, and preparation and presentation of proofs. All fees and expenses of the arbitrator and administrative fees and expenses of the arbitration shall be paid by the parties as provided by the Commercial Arbitration Rules of the AAA governing the proceeding, including the Supplementary Procedures for Consumer-Related Disputes, to the extent applicable, or by specific ruling by the arbitrator, or by agreement of the parties. You will pay the cost of AAA's fees and Arbitrator compensation to the extent those fees are greater than the district court filing fee within the federal judicial district in which the School is located.

5. Relief and Remedies – The arbitrator shall have the authority to award monetary damages and may grant any non-monetary remedy or relief available by applicable law and rules of the arbitration forum governing the proceeding and within the scope of this Note, excluding any changes to grades and including any remedies permitted under the AAA's Optional Rules for Emergency Measures of Protection. The arbitrator may award attorney's fees as expressly provided by this Note or authorized by law such as where a party brings a claim under a statute that provides for attorney's fees to be awarded to the prevailing party or the rules of the arbitration forum. If the arbitrator determines that any claim or defense is frivolous or wrongfully intended to oppress the other party, the arbitrator may award sanctions in the form of fees and expenses reasonably incurred by the other party (including arbitration administration fees, arbitrator's fees, and attorney, expert and witness fees), to the extent such fees and expenses could be imposed under Rule 11 of the Federal Rules of Civil Procedure.
6. Class and Consolidated Actions – There shall be no right or authority for any claims within the scope of this Arbitration Agreement to be arbitrated or litigated on a class basis or for the claims of more than one Student to be arbitrated or litigated jointly or consolidated with any other Student's claims.
7. Arbitrator's Award – At the request of either party, the arbitrator shall render a written award briefly setting forth his or her essential findings and conclusions. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.
8. Severability and Right to Waive – If any part or parts of this Arbitration Agreement are found to be invalid or unenforceable by a decision of a tribunal of competent jurisdiction, then such specific part or parts shall be of no force and effect and shall be severed, but the remainder of this Arbitration Agreement shall continue in full force and effect. Any or all of the limitations set forth in this Arbitration Agreement may be specifically waived by the party against whom the claim is asserted. Such waiver shall not waive or affect any other portion of this Arbitration Agreement.

THIS ARBITRATION AGREEMENT LIMITS CERTAIN RIGHTS, INCLUDING THE RIGHT TO MAINTAIN A COURT ACTION, THE RIGHT TO A JURY TRIAL, THE RIGHT TO PARTICIPATE IN ANY FORM OF CLASS OR JOINT CLAIM, THE RIGHT TO ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED IN THE APPLICABLE ARBITRATION RULES. OTHER RIGHTS THAT I OR SCHOOL WOULD HAVE IN COURT ALSO MAY NOT BE AVAILABLE IN ARBITRATION.

J. PRIVACY

1. **You may report information about my account to credit bureaus. Late payments, missed payments or other defaults on my account may be reflected in my credit report.**
2. I must update the information on my Application whenever you ask me to do so or within ten (10) days after any change in my name, address or enrollment status.
3. I authorize you from time to time to request and receive from others credit related information about me (and about my spouse if I live in a community property state).

K. NOTICES

1. I will send written notice to you, or any subsequent holder of this Note, within ten (10) days after any change in my name, address or enrollment status.
2. Any notice required to be given to me by you will be effective when mailed by first class mail to the latest address you have for me or by e-mail if I have provided an e-mail address to you.

L. CERTIFICATION OF BORROWER

I declare under penalty of perjury under the laws of the United States of America that the following is true and correct. I certify that the information contained in my Application and Note is true, complete and correct to the best of my knowledge and belief and is made in good faith.

M. DISCLOSURE NOTICES

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

NOTICE: YOU MAY ASSERT AGAINST THE HOLDER OF THE PROMISSORY NOTE YOU SIGNED IN ORDER TO FINANCE THE COST OF THE EDUCATIONAL PROGRAM ALL OF THE CLAIMS AND DEFENSES THAT YOU COULD ASSERT AGAINST THIS INSTITUTION, UP TO THE AMOUNT YOU HAVE ALREADY PAID UNDER THE PROMISSORY NOTE.

State Notices - I understand that the following notices are or may be required by state law and that these notices may not describe all of the rights that I have under state and federal law. Unless otherwise indicated, each notice applies or may apply to borrowers who live in the indicated state on the dates that they signed their Application and Promissory Note and to borrowers who are residents of that state.

Prior to signing this Agreement, I have read and understood all the provisions of this Agreement. I agree to the terms of this Agreement and acknowledge receiving a completed copy of this Agreement.

CAUTION: IT IS IMPORTANT THAT EACH BORROWER AND COSIGNER THOROUGHLY READS THIS AGREEMENT AND ENSURE THAT THERE ARE NO BLANK SPACES CONTAINED IN THE AGREEMENT BEFORE SIGNING BELOW.

I UNDERSTAND THAT I MAY RECEIVE ONE OR MORE LOANS UNDER THIS AGREEMENT AND THAT I MUST REPAY ALL LOANS THAT I RECEIVE UNDER THIS AGREEMENT.

BORROWER

Signature

Date

