TEXAS MEDICAL ASSOCIATION

Physicians Caring for Texans

RESIDENT LOAN PROGRAM

HOW TO APPLY

Physicians may apply directly through Texas Medical Association. Residents must complete and submit the following:

- A completed and signed application and promissory note. It is important that you state the reasons for your financial need when making the request. Your signature on the application constitutes permission to obtain your credit report.
- A completed a signed verification of residency form.
- Once all the necessary paperwork is returned and a satisfactory credit report is received, you will be contacted by one of our TMA interviewing trustees for a telephone interview.

INTEREST RATE: 4.4%

PRIMARY LOAN FUNDS:

Dr. S. E. Thompson Scholarship Fund

- Available to physicians in any year of post graduate training
- A resident physician may borrow up to a maximum of $3,000
- The residency must be in an accredited program within the state of Texas
- If an individual received a TMA loan from Dr. S.E. Thompson Scholarship Fund while in medical school, that amount will be included in the maximum allowed.

Patricia Lee Palmer Trust Loan Fund

- Available to single female physicians in any year of post graduate training.
- A resident physician may borrow up to a maximum of $3,000
- Applicants must be U.S. citizens
- The residency must be in an accredited program within the state of Texas

REPAYMENT TERMS

- **Interest is due each year on the anniversary of the loan until principal repayment begins.**
- Principal repayment begins two years after disbursement of the loan. Equal monthly payments will be made for 12 months on a $1,000 loan; 24 months on a $2,000 loan, or 36 months on a $3,000 loan.
- Loans may be repaid in full at any time without pre -payment penalty.
- Please consult the promissory note for other terms of this loan.

RETURN PAPERWORK TO:

Texas Medical Association
Educational Loans Department
401 W. 15th St.
Austin, TX 78701

For more information, please contact the TMA Educational Loans Department at (800) 880-2828 or review our website at www.tmaloanfunds.com.

TEXAS MEDICAL ASSOCIATION
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401 W. 15th St.
Austin, TX 78701
(800) 880-2828

Loan Interest Rate & Fees

Your interest rate is fixed at:

4.40%

Your Starting Interest Rate (upon approval)
The interest rate you pay will be 4.40%.
This rate has been determined by governing documents of various TMA student loan funds.

Your Interest Rate during the life of the loan
Your rate is fixed during the life of the loan at 4.40%.

Loan Fees
Not applicable.

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon two repayment options available to you while enrolled in school. Also, example five provides the repayment schedule for TMA's Resident Loan Program.

In-School Repayment Options	Sample Loan Amount	Interest Rate (Fixed)	Sample Loan Term	Sample Total Paid
1. Sam E. Thompson Scholarship Loan Program Loan received at beginning of third year	$3,000	4.40%	10 years	$4,040
2. Sam E. Thompson Scholarship Loan Program Loan received at beginning of fourth year	$3,000	4.40%	9 years	$3,908
3. May Owen Trust Scholarship Loan Program Loan received at beginning of third year	$4,000	4.40%	10 years	$5,386
4. May Owen Trust Scholarship Loan Program Loan received at beginning of fourth year	$4,000	4.40%	9 years	$5,210
5. Resident Loan Program	$3,000	4.40%	5 years	$3,483

See reference notes on next page for more information about this example.

Federal Loan Alternatives

Federal Loan Programs*	Current Interest Rates	
PERKINS for Students	5% fixed	Undergraduate & Graduate
STAFFORD** for Students	5.6% fixed 4.5% fixed 3.4% fixed 6.8% fixed 6.8% fixed	Undergraduate subsidized (2009-10) Undergraduate subsidized (2010-11) Undergraduate subsidized (2011-12) Undergraduate subsidized (2012-13) Undergraduate unsubsidized & Graduate (2009-2013)
PLUS for Parents and Graduate/ Professional Students	8.5% fixed 7.9% fixed	Federal Family Education Loan Federal Direct Loan

*Please note that fees may apply to these Federal loans.

**Stafford Loan interest rates effective July - June.

You may qualify for Federal education loans. For additional information, **contact your school's financial aid office or the Department of Education at**: federalstudentaid.ed.gov

Next Steps

1. **Find Out More About Other Loan Options.**

   Some schools have school-specific student loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's web site at federalstudentaid.ed.gov for more information about other loans.

2. **To Apply for a TMA Student Loan, Complete the Application and the Self-Certification Form.**

   The certification form is attached or can be obtained from your school's financial aid office. If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law).

Reference Notes

Eligibility Criteria

STUDENT LOAN PROGRAM

Interest is due on the anniversary date of the loan

Repayment of the principal portion of the loan begins four years after graduation

Equal monthly payments will be made for four years

Loans may be repaid in full at any time prior to maximal tenure without penalty

The note will become due if the student should discontinue the study of medicine

An interview will be required with a Trustee of the Texas Medical Association

RESIDENT PHYSICIAN LOAN PROGRAM

Loans are available to physicians in any year of postgraduate training

A resident physician may borrow up to a maximum of $3,000

The residency must be in an accredited program within the state of Texas

Note: If an individual received a TMA loan from the Dr. S.E. Thompson Scholarship Fund while in medical school, that amount will be included in the maximum available.

More information about loan eligibility is available in your loan application, promissory note, and online at www.TMALoanFunds.com.

Bankruptcy Limitations

- If you file for bankruptcy you may still be required to pay back this loan.

TEXAS MEDICAL ASSOCIATION

Educational Loans

Physicians Caring for Texans

Resident Physician Loan Application

Date: _____

Loan Fund: _____

Sex: ○ Male ○ Female

SSN: _____

Personal

Name _____
Last First MI or Maiden MD or DO

Current Address _____
Street City State Zip

Home Phone # _____ Cell Phone # _____

E-mail _____

Birth Date _____ Place of Birth _____

Are you a Texas resident? _____ Are you a U.S. citizen? _____ If not, what is your visa classification? _____

Of what **country** are you a citizen _____ If not U.S., what is your visa classification? _____

Of what **county** and **state** are you a resident? _____

Parent's or permanent address (street, city, state, zip) _____

Marital Status: ○ Single ○ Married ○ Divorced ○ Separated

Spouse's name _____ Occupation _____

Dependents' names and ages _____

Educational

Medical School _____ Graduation year _____

Graduate medical education specialty _____

Name of hospital _____

Address _____

Beginning date of training _____ Ending date of training _____ PGY _____

Name of the Chief of Service or Program Director _____

Financial - (Monthly)

Do you own your own home? _____
Mortgage/Rent $ _____
Telephone $ _____
Utility $ _____
Food $ _____
Type & year of car(s) _____
Gas/transportation $ _____
Auto loan(s) $ _____
Auto insurance $ _____
Medical insurance $ _____
Expenses exceeding coverage $ _____

Installments $ _____
Child care $ _____
Other expenses $ _____
$ _____
$ _____
$ _____
Student loans $ _____
Undergraduate $ _____
Medical School $ _____
Spouse $ _____
Are loans deferred? _____

When does repayment begin? _____
Monthly payment $ _____
Monthly gross earnings $ _____
Spouse $ _____
Monthly net $ _____
Spouse $ _____
Financial institution _____
Type(s) of account(s) _____
Balances $ _____
$ _____
$ _____

What is the immediate need for this loan?

I hereby request a loan in the amount of $ _____ from the TMA Resident Physician Loan Program. I certify that the information submitted herein is true and correct to the best of my knowledge. My signature grants TMA permission to obtain a credit history report to determine eligibility for the loan.

_____ _____
Signature of Borrower Date

All information required. Incomplete applications will delay process.

TEXAS MEDICAL ASSOCIATION

Educational Loans

Physicians Caring for Texans

Resident Promissory Note

Texas Medical Association
Resident Physician Loan Program
401 WEST 15th STREET AUSTIN, TEXAS 78701-1680

Date of Loan: _____ , 20 _____

Name of Fund: _____

Amount of Loan: _____ Date of Graduation: _____ , 20 _____

For value received, the undersigned, hereinafter called "Borrower," whether one or more, promises to pay to the order of the above named fund (the "Fund") at the business office of the Texas Medical Association, P.O. Box 143026, Austin, Texas, 78714-3026 the sum of $ _____ with interest thereon from the date of this note until paid at the rate of **4.4%** per annum on the following schedule:

(1) Borrowers will be required to pay the interest due on the principal on the anniversary of the loan,
(2) Borrowers will begin principal repayment of the loan two years from the date of the loan,
(3) Equal monthly payments of principal plus interest will be made for a period of time based upon the amount of the loan. ($1,000 = 1 year; $2,000 = 2 years; $3,000 = 3 years)

Borrower agrees that if payments of interest are not made during the period of time when there are no payments which include payment on principal; that such unpaid interest balances will be capitalized and the loan will be reamortized prior to monthly repayment of principal and interest.

SEE ATTACHED SHEET FOR DISCLOSURE OF LOAN TERMS

Borrower promises to pay all loan amounts disbursed under the terms of this promissory note, plus interest and other charges and fees that may become due; regardless of whether or not a bill or coupon booklet is received. Borrower must notify Texas Medical Association immediately of any change to your name, address, telephone number, or Social Security number. Unless interest payments are made, interest that is charged on my loan during grace, in-school, deferment, forbearance, and other periods will be added to the principal balance of the loan. Borrower may prepay all or any portion of the indebtedness represented by this note without penalty. If all or any part of the indebtedness is prepaid by cash, a new loan, renewal, or otherwise, such prepayment will be applied first to earned finance charges and then to the balance of principal (Amount Financed). The amount of unearned finance charges will be computed by applying the annual percentage rate to the outstanding principal (Amount Financed) for the period of time that it is actually outstanding.

If this note is placed in the hands of an attorney for collection after maturity or is collected by legal proceedings of any kind, Borrower agrees to pay a reasonable attorney's fee which shall not in any event be less than 10% of the amount of the principal and interest from the date of its accrual at the highest rate permitted by law. All delinquent principal and interest will bear interest from its due date until paid at the highest rate permitted by law. Additionally, Borrower shall if note is placed within a collection agency pay the collection fee made necessary, which fee shall be up to 50% of the amount of the principal and interest due.

The term "borrower" as used herein shall be construed as singular or plural, masculine, neuter, or feminine as the occasion may require, and includes the heirs, executors, administrators, successors, representatives, receivers, trustees and assigns of those parties.

If any provision of this agreement shall for any reason be held to be invalid or unenforceable, such shall not affect any other provision hereof, but this agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

In the event of default in the payment of any installment of interest or of principal and interest on this note when due, or in the event that the Borrower designated as "medical" student discontinues the study of medicine, then the Fund, or other holder hereof, shall have the option, without demand or notice, to declare the unpaid principal and interest of this note at once due and payable.

Borrower hereby acknowledges that this note with disclosures was complete as to all its provisions and disclosures before it was signed by Borrower and that a completed, signed copy was delivered to Borrower at the time of the signing.

TMA LOAN FUNDS ADMINISTRATION PRIVACY STATEMENT

We collect nonpublic personal information about you from the following sources: Information we receive from you on applications or other forms; Information about your transactions with us, our affiliates, or others; and Information we receive from a consumer reporting agency.

We may disclose the following kinds of nonpublic personal information about you: Information we receive from you on the application or other forms, such as your name, address, social security number, and graduation date. We may disclose the above nonpublic personal information about you to our affiliate the Texas Medical Association. We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Borrower (Resident Physician)

Signature: _____

Name Typed or Printed: _____

Address: _____

_____

Original - TMA
Yellow copy - Borrower
23066.T3514.9/10

Texas Medical Association

Educational Loans

Physicians Caring for Texans

Verification of Internship/Residency/ Fellowship

This is to certify that _____

Name

is an
- Intern
- Resident
- Fellow

in _____

Field of medicine

at the _____

Name of hospital

beginning _____ and ending _____

Date Date

_____

Name of Authorized Official

_____

Address

_____

Authorized Official's Signature

_____

City, State, Zip

_____

Title

_____

Telephone

_____

Date

Original - TMA
Yellow copy - Borrower
19485.11/07