

# LOAN NOTE EXAMPLE

## EDUCATIONAL LOAN NOTE FROM THE FRANK PIERCE TRUST

\$4500

Dated \_\_\_\_\_

In consideration for the sum of Four Thousand Five Hundred and No/100 Dollars, the recipient, together with the co-signer, promises to pay to The Frank Pierce Trust, and to the trustees thereof, of Marshalltown, Iowa, the principal sum of Four Thousand Five Hundred and No/100 Dollars, along with simple interest accruing from year to year at the rate of 1.0 percent per annum. Said principal sum and accrued interest shall become due upon the completion of the educational purposes for which this loan is made or upon the maker failing to pursue the educational purposes for which this loan is made, whichever shall occur first. If a deferral is granted the due date shall be at the end of the deferral period. Any principal not paid within ten (10) years of the due date herein shall result in the interest on the unpaid principal balance to be increased to 15 percent per annum. Payments made hereon shall be first applied to the payment of interest accrued.

This note is for money loaned for educational purposes under the terms and conditions as provided in the establishment of The Frank Pierce Trust and the maker or makers hereof promise in, good faith, to use the money of this loan for educational purposes and to make repayment according to its terms. For failure to make repayment when due or at the time to which it may be extended by endorsement of the trustees of said trust hereon, the maker or makers consent that action may be brought for the recovery of attorney fees as part of the costs of said action as provided by law.

Should the trustees, in their judgment, believe the maker to have improperly applied the funds obtained under this note, or should the maker fail to pursue the educational purpose for which this loan is made, the trustees of The Frank Pierce Trust may demand its payment, and by such demand make the same payable prior to its due date, including all accrued interest thereon.

This note is payable at the office of the Secretary of The Frank Pierce Trust at 102 East Church Street, Marshalltown, Iowa, 50158, or at such other place as the trustees may direct.

THE ANNUAL PERCENTAGE RATE OF INTEREST ON THIS LOAN IS 1.0%. THE TOTAL OF PAYMENTS REQUIRED IF THIS NOTE GOES TO ITS MATURITY IS \$4725.

\_\_\_\_\_  
Co-signer

\_\_\_\_\_  
Student's Name

\_\_\_\_\_  
Student's Street Address

\_\_\_\_\_  
Student's City, State Zip

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Student's Social Security Number

\_\_\_\_\_  
Address