

LOAN AGREEMENT (Option 6)

AGREEMENT made by and between the Christian County Board of Education ("CCBE") and _____ ("Employee"), this ___ day of _____, 202_.

Recitals

A. The Employee was selected to receive a forgivable loan for necessary funding to enable the Employee to become certified as a teacher by the EPSB through an EPSB-approved Option 6 program at Western Kentucky University.

B. Under the above-referenced Option 6 program, the Employee plans to graduate with his master's degree in education in 36 months from the date of this agreement and to be regularly certified as a teacher by EPSB within 6 months thereafter.

C. This Agreement explains the obligations and requirements of the Employee in connection with the Employee's receipt of the forgivable loan.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements made herein, the parties agree and contract as follows:

1. **Advances of Loan Proceeds.** Exclusively from funds provided to CCBE through third-party SAFE grants, CCBE will pay Employee's tuition, up to the one-half price of in-state tuition for a student enrolled in the Option 6 Program at Western Kentucky University for the benefit of the Employee for up to six semesters (during a period of no more than 36 months) so long as the Employee is eligible under the terms of

this agreement and so long as Western Kentucky University pays the other one-half of the tuition. Employee shall have no right to receive, and shall not attempt to receive, a refund from Western Kentucky University of any of the funds paid by CCBE hereunder. Notwithstanding anything herein to the contrary, CCBE shall have no obligation to make any payment except from funds provided by third-party SAFE grants.

2. Employee in Good Standing. As a condition precedent to CCBE making any tuition payment and as continuing condition precedent to any subsequent payments of tuition, Employee shall be and remain an alternatively certified teacher (during the period in which tuition payments are being made on his or her behalf) in good standing with the district who has not been public reprimanded, suspended without pay, terminated, or nonrenewed.

3. Option 6 Program. As a condition precedent to CCBE making the tuition payment referenced and as a continuing requirement under this agreement, Employee shall enroll on a for each semester in the EPSB approved Option 6 Program at Western Kentucky University for the purpose of earning a master's degree in education that will enable the Employee to be regularly certified as a teacher within 42 months of the date of this agreement.

4. Academic Good Standing. To continue to be eligible and as a condition precedent to any subsequent tuition payment hereunder, Employee shall remain a student in good standing at Western Kentucky University in the EPSB approved Option 6 program with a 2.75 grade point average and 95% rate of attendance and no discipline infractions, all as certified by official education records from Western Kentucky

University, and to this end, prior to any subsequent payment, Employee shall certify in writing that Employee is in compliance with the requirements of this agreement.

5. **Access to Education Records.** As a condition precedent to CCBE making any tuition payment, Employee shall execute an authorization and release permitting CCBE and its designated employees the right to review and receive copies of all education records from Western Kentucky University, which authorization and release shall remain in place until the Employee's obligations under this agreement have been satisfied and the forgivable loan has either been repaid in full or fully forgiven.

6. **Last Payer.** Under this agreement, CCBE shall be the last payer of tuition after the application of all available grants and scholarships from all other sources, including grants and scholarships from Kentucky Higher Education Assistance Authority (e.g., KEES money) and the federal government (e.g., Pell Grant). To this end and as a condition precedent to CCBE making any tuition payment hereunder, Employee shall:

- a. Provide proof, satisfactory to CCBE, that Employee timely completed and filed a Free Application for Federal Student Aid (FAFSA) for each school year for which CCBE is asked to make a tuition payment;
- b. Provide proof, satisfactory to CCBE, that Employee accepted all grants and/or scholarships awarded as a result of having timely completed and filed the FAFSA and applied those grants and scholarships toward tuition; and
- c. Provide proof, satisfactory to CCBE, that Employee has accepted all grants and/or scholarships from Kentucky Higher Education Assistance Authority and applied those grants and scholarship toward tuition.

7. **Forgivable Loan.** Prior to every payment of tuition under this agreement, Employee shall execute a promissory note to CCBE, in form and substance satisfactory to CCBE.

- a. Under the terms of the promissory note, Employee shall agree to repay CCBE for the tuition payments made for the benefit of the Employee to Western Kentucky University.
- b. The repayment of term of the loan shall begin upon the first to occur of the following: (a) six months following the Employee's graduation with a master's degree in education from Western Kentucky University; (b) six months following the Employee no longer being a student in good standing in the Option 6 program at Western Kentucky University; (c) six months following Employee's failure to comply with the any term of this agreement; or (d) 42 months following the execution of this agreement.
- c. The principal amount of the loan (sum of all tuition payments made under this agreement) shall accrue interest at a rate equal to eight percent (8%) per annum from the date of each advance of principal.
- d. The loan shall be amortized and repaid in monthly payments over the course of a 10-year repayment period from the beginning of the repayment terms hereunder.

8. **Loan Forgiveness.** The promissory notes and loans referenced herein will be forgiven (including both principal and interest) if Employee strictly complies with all the following requirements:

- a. Employee graduates from the Option 6 Program at Western Kentucky with a master's degree in education within three years from the first tuition payment by CCBE for the benefit of Employee under this agreement with a minimum 2.75 grade point average;
- b. Employee becomes certified (regular certification- not emergency or alternate certification) to teach elementary, middle, or high school in the Commonwealth of Kentucky by the Kentucky

Education Professional Standards Board within 6 months of graduating from the Option 6 Program at Western Kentucky University with a master's degree in education; and

- c. Employee, within 54 months from the date of the last tuition payment made hereunder, successfully completes four continuous years of full-time teaching (as a regularly certified teacher) in the Christian County Public Schools without being publicly reprimanded, suspended without pay, nonrenewed, or terminated.

9. **Collection and Assignment.** If Employee does not qualify for loan forgiveness as determined by CCBE, CCBE may assign this agreement and corresponding promissory note(s) to a third party for collection or may commence collection proceeding.

10. **Default.** If, with or without demand, Employee fails to make any payment required of it under this agreement or the promissory note(s) or Employee fails to comply with any other provision of this agreement, Employee shall be in default under this agreement and the promissory note(s).

11. **Acceleration.** If Employee defaults in any way, CCBE in its sole discretion and without notice to Student, may declare the entire unpaid balance of the promissory note(s) and all other obligations under this agreement to be immediately due and payable in full, without presentment, demand or notice of any kind, all of which are waived by Employee.

12. **Attorney Fees.** Employee agrees to reimburse reasonable attorney's fees and all other costs and expenses of collection incurred by the holder of this agreement and the promissory note(s) following a default.

13. **Binding Effect.** This agreement shall inure to the benefit of, and shall be binding upon, the parties' heirs, successors, and assigns.

Dated, this ___ day of _____, 202_

CHRISTIAN COUNTY BOARD OF EDUCATION:

By: _____

Superintendent

(name of employee)