

PHYSICIAN MANPOWER TRAINING COMMISSION
PHYSICIAN/COMMUNITY MATCH PROGRAM
REPAYMENT AGREEMENT AND PROMISSORY NOTE

The Physician Manpower Training Commission and _____,
agree as follows:

1. Definitions

- 1.1 "Agreement" means this Repayment Agreement and Promissory Note.
- 1.2 "Commission" means the Physician Manpower Training Commission.
- 1.3 "Recipient" means _____,
Social Security Number ____-__-____.
- 1.4 "Loan" means the sum to be repaid to the Commission as provided in this Agreement, and, unless the context requires otherwise, includes the principal amount, interest, liquidated damages, collection costs, litigation costs and attorney fees as provided in this Agreement.
- 1.5 "Community" means _____, Oklahoma.
- 1.6 "Repayment period" means the period of three years beginning on the date Recipient begins to practice medicine full-time in the Community, and includes any extension of the repayment period beyond the initial three years.

2. Loan

- 2.1 Commission agrees to lend Recipient the sum of Forty Thousand (\$40,000.00) Dollars, subject to the terms of this Agreement.
- 2.2 In consideration of the sum of Forty Thousand (\$40,000.00) Dollars, Recipient agrees to repay the Loan as provided in Alternative No. 1 or Alternative No. 2 below.

3. Alternative No. 1:

Repayment by Practicing Medicine Full-Time in the Community

- 3.1 Recipient agrees to begin practicing medicine full-time in the Community within ninety (90) days after Recipient completes his/her medical internship or residency, whichever applies; or, if the recipient is not currently an intern/resident, by a date agreed upon by all parties involved.
- 3.2 Recipient agrees to practice medicine full-time in the Community for a period of three (3) years. The three year period shall begin on the date Recipient begins to practice medicine full-time in the Community.

- 3.3 If Recipient practices medicine full-time in the Community for three (3) years as provided in this Agreement, then the Commission shall deem the Loan repaid in full and Recipient's obligations under this Agreement shall be deemed fully performed.
- 3.4 If Recipient practices medicine full-time in the Community for a period of less than three (3) years but more than one (1) year, then the Commission shall give Recipient credit for one (1) year's practice of medicine and, in that event, Recipient shall then repay the principal amount owed, with interest thereon at the rate of prime plus one percent per annum from and after the date Recipient receives the Loan, plus liquidated damages, collection costs, litigation costs and attorney fees as provided in Alternative No. 2 of this Agreement.
- 3.5 Recipient's obligation to practice medicine full-time in the Community or repay the Loan as provided in this Agreement is absolute and shall not be excused for any reason whatsoever including, but not limited to, financial problems, family or personal problems, death, illness or injury.

4. **Alternative No. 2:**

Repayment of Principal, Interest, Liquidated Damages, Collection Costs, Litigation Costs and Attorney Fees

- 4.1 If Recipient does not practice medicine full-time in the Community at all, or if Recipient practices medicine full-time in the Community for a period of less than one (1) year, then no credit shall be given and Recipient shall repay to the Commission the entire amount of the Loan, including the principal amount of Forty Thousand (\$40,000.00) Dollars, with interest thereon at the rate of prime plus one percent per annum from and after the date Recipient receives the Loan, plus liquidated damages, collection costs, litigation costs and attorney fees as provided in this Agreement.
- 4.2 If Recipient breaches any term or provision of this Agreement, or is in default, Recipient shall pay to the Commission liquidated damages equal to one hundred (100%) percent of the principal which shall compensate the State of Oklahoma and the Community for the loss of Recipient's medical services to the Community.
- 4.3 Any payment received under this Agreement shall be applied first toward payment of the liquidated damages, then toward payment of the interest, collection costs, litigation costs, attorney fees and principal, in that order.
- 4.4 Recipient shall repay the Loan in lump sum within thirty (30) days after the date Recipient should have begun practicing medicine in the community as required in this Agreement, or within thirty (30) days after Recipient ceases to practice medicine full-time in the Community, whichever date is applicable.
- 4.5 Recipient shall repay the Loan to the Commission at 5500 North Western, Suite 201, Oklahoma City, OK 73118.

- 4.6 If the Commission takes action to recover the Loan, Recipient shall owe the Commission reasonable collection costs, litigation costs and attorney fees.
- 4.7 In its sole discretion, the Commission may allow Recipient to repay the Loan in monthly installments rather than in lump sum. In its sole discretion, the Commission may determine the amount of each monthly installment. Any payment received in monthly installments shall be applied first toward payment of the liquidated damages, then toward payment of the interest, collection costs, litigation costs, attorney fees and principal, in that order.
- 4.8 Repayment of the Loan shall be deferred during the period Recipient practices medicine full-time in the Community.

5. Default and Acceleration

- 5.1 In its sole discretion, the Commission may deem Recipient to be in default if any of the following events occur:
- (a) Recipient becomes insolvent;
 - (b) A petition in bankruptcy is filed by or against Recipient;
 - (c) An assignment for the benefit of Recipient's creditors is made;
 - (d) Recipient dies or is found by the Commission to be permanently disabled as defined in this Agreement;
 - (e) Recipient fails to perform any obligation, promise, or undertaking required by this Agreement; or
 - (f) Recipient breaches any term, provision or warranty contained in this Agreement.
- 5.2 In the event Recipient is in default, the Loan, including principal, interest and liquidated damages, shall become immediately due and payable without notice or demand.

6. Recipient's Warranties and Other Promises

- 6.1 Recipient warrants that all the information furnished in his/her application for the Loan is true and correct as of this Agreement.
- 6.2 Recipient agrees to answer promptly all communications addressed to him/her by the Commission.
- 6.3 Recipient agrees to observe, abide by, and be governed by the Commission's Rules and Regulations.
- 6.4 Recipient shall keep the Commission informed of Recipient's current address and phone number at all times.

- 6.5 Recipient agrees to reside and establish his/her domicile in the Community, except that this requirement to reside and establish his/her domicile in the Community shall not apply if there is no hospital in the Community.
- 6.6 This Agreement embodies the entire Agreement between Recipient and the Commission and supersedes any and all agreements, contracts, understandings or representations, whether oral or written.
- 6.7 Recipient must give proof that he/she holds a current valid license to practice medicine in the State of Oklahoma before receiving the Loan.

7. Life Insurance and Other Security for the Loan

- 7.1 As security for the Loan, Recipient shall, at or before the time the Loan is disbursed to Recipient, obtain a life insurance policy naming the Commission as primary beneficiary with a benefit amount equal to the principal amount.
- 7.2 Recipient shall pay the premiums for the life insurance policy for three (3) years in advance at, or before, the time the Loan is disbursed to Recipient.
- 7.3 If Recipient becomes temporarily disabled as defined in this Agreement, Recipient shall pay the premiums necessary to extend the term of the life insurance policy for the period of time it takes Recipient to repay the Loan.
- 7.4 Any proceeds from the life insurance policy shall be paid to the Commission until the total amount of the Loan is repaid. Any proceeds remaining after the Loan has been repaid may be paid to Recipient's other beneficiaries.

8. Recipient's Spouse as Co-Maker and Surety

- 8.1 If Recipient is married, Recipient's spouse must execute this Agreement as Co-Maker and Surety.
- 8.2 By executing this Agreement, Recipient's spouse assumes the obligation to repay the outstanding principal, interest, liquidated damages, collection costs, litigation costs and attorney fees in the event of Recipient's default or breach of the terms of this Agreement.
- 8.3 Recipient and Recipient's spouse shall be jointly and severally liable to the Commission for any default or breach of the terms of this Agreement.
- 8.4 Recipient's spouse warrants that he/she has read this Agreement in its entirety, understands its content and its legal significance. By executing this Agreement, Recipient's spouse warrants that he/she approves of the terms of this Agreement.
- 8.5 Recipient and Recipient's spouse hereby waive presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Agreement.

9. Date of Agreement

9.1 This Agreement is dated this ____ day of ____, 20__.

Date Executed

Recipient (Maker)

Recipient's Telephone Number

Recipient's Address

City, State, Zip Code

Date Executed

Recipient's Spouse
(Co-Maker & Surety)

Date Executed

Executive Director,
Physician Manpower Training Commission

