

**PHYSICIAN MANPOWER TRAINING COMMISSION
FAMILY PRACTICE/FAMILY MEDICINE RESIDENT RURAL
SCHOLARSHIP LOAN PROGRAM**

REPAYMENT AGREEMENT AND PROMISSORY NOTE

The Physician Manpower Training Commission and _____, recipient,
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 _____,
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, an additional amount equal to 100%
of the principal, collection costs, litigation costs and attorney fees as
provided in this Agreement.
- 1.5 "Community" means an underserved rural area in Oklahoma as determined
by the Commission. The Recipient will choose the qualified Community on
or before the end of the second year of residency training.
- 1.6 "Repayment period" means the period of months beginning on the date
Recipient begins to practice medicine full-time (minimum of 40 hours
per week) in the Community, and includes any extension of the
repayment period beyond the initial months.

2. Loan

- 2.1 Recipient agrees to complete the entire Family Practice or Family
Medicine Residency Program.
- 2.2 The Commission agrees to lend Recipient One Thousand Dollars
(\$1,000.00) per month, not to exceed a maximum of Twelve Thousand
Dollars (\$12,000.00) per residency training year and not to exceed a
total maximum of Thirty-Six Thousand Dollars (\$36,000.00) for three
years, subject to the terms of this Agreement.
- 2.3 In consideration of the scholarship loan, Recipient agrees to repay
the Loan as provided in either Alternative No. 1 or Alternative No.
2 as described herein.
- 2.4 The intent of this Agreement is that the Recipient shall practice
medicine full-time (40 hours each week) for one (1) month in the Community
for each month the Recipient receives the loan under the program. For
example, if Recipient receives Twenty-Four Thousand Dollars (\$24,000.00)
the Recipient shall be obligated to practice medicine full-time for 24
months in the Community.

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 immediately after Recipient completes his/her family practice or family medicine residency.
- 3.2 Recipient agrees to practice medicine full-time in the Community, one month for each month the loan was received, with no credit being granted for anything less than twelve (12) months. The 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 at least twelve (12) months, but less than the total obligation, then the Commission shall give the Recipient \$1,000.00/month credit for the sum total of the months spent in the Community.
- 3.4 Recipient's obligation to practice medicine full-time in the community or to repay the Loan as provided in this Agreement is absolute, exceptions for exigent circumstances, including, but not limited to, financial problems, bankruptcy, family or personal problems, illness or injury, may be granted at the discretion of the Commission.

4. Alternative No. 2:

Repayment of Principal, Interest, Recover Additional 100% of Principal Amount, Collection Costs, Litigation Costs and Attorney Fees

- 4.1 If Recipient does not complete the entire Family Practice or Family Medicine Residency Program, the Recipient shall repay to the Commission the entire amount of the Loan, including the principal with interest thereon at the rate of prime plus one percent per annum from and after the date Recipient receives the Loan. The Commission shall also be entitled to recover liquidated damages in an amount equal to 100% of the principal; collection costs; litigation costs; and reasonable attorney fees. Repayment in full, in lump sum is due within thirty (30) days unless the Recipient begins practicing medicine in a community approved by the Commission.
- 4.2 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 twelve (12) months, then no credit shall be given and Recipient shall repay to the Commission the entire amount of the Loan, including the principal with interest thereon at the rate of prime plus one percent per annum from and after the date Recipient receives the Loan. The Commission shall also be entitled to recover liquidated damages, an amount equal to 100% of the principal; collection costs; litigation costs and reasonable attorney fees.
- 4.3 If Recipient breaches any term or provision of this Agreement, or is in default, the Commission shall be entitled to recover liquidated damages in an amount equal to 100% of the principal which the parties agree shall compensate the State of Oklahoma and the Community for the loss of Recipient's medical services to the Community.

- 4.4 Any partial payment received under this Agreement shall be applied first toward payment of liquidated damages, then toward payment of the interest, collection costs, litigation costs, attorney fees and principal, in that order.
- 4.5 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.
- 4.6 Recipient shall repay the Loan to the Commission at 5500 North Western Avenue, Suite 201, Oklahoma City, Oklahoma 73118.
- 4.7 If the Commission commences litigation or collection activities to recover the Loan, the Recipient will be liable to the Commission for the reasonable collection costs, litigation costs and attorney fees in addition to the balance of the Loan and liquidated damages.

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 fails to perform any obligation, promise, or undertaking required by this Agreement; or
 - (e) 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 the date 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 Codified Rules.
- 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 Recipient must be in Postgraduate Level I, Level II, or Level III of an accredited Family Practice or Family Medicine Residency Program in the State of Oklahoma before receiving the Loan.
- 6.7 Recipient agrees to select a qualified community, on or before the end of the second year of residency training, in which to practice medicine. The Community must be willing to cost share the last year of the scholarship loan with the Commission, funds to be deposited into a revolving fund.
- 6.8 Recipient agrees to spend one month (40 hours per week for four weeks) during third year of residency training in an elective rotation in the Community and further agrees to coordinate with the Family Practice Director about this requirement.

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

- 7.1 If Recipient is married, Recipient's spouse must execute this Agreement as Co-Maker and Surety.
- 7.2 By executing this Agreement, Recipient's spouse assumes the obligation to repay the outstanding principal, interest, additional recovered amount equal to 100% of the principal, collection costs, litigation costs and attorney fees in the event of Recipient's death, default or breach of the terms of this Agreement. The Recipient and/or spouse may obtain a life or disability insurance policy to absolve spouse of liability under such circumstances.
- 7.3 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.
- 7.4 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.
- 7.5 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.

8. Miscellaneous

- 8.1 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.
- 8.2 The Commission shall not by any act, omission, or otherwise, be deemed to have waived any of its rights or remedies hereunder unless such waiver be in writing and signed by the Chairman of the Commission, and then only to the extent set forth in such writing. A waiver on any one occasion shall not be construed as a bar to or waiver of any such rights or remedies on any further occasion.

- 8.3 The Commission makes no promise or warranty whatsoever that financial assistance will be offered or available during the remaining years of Recipient's postgraduate training. The availability of such financial assistance will depend upon Recipient's performance in postgraduate training; whether the Oklahoma State Legislature appropriates additional loan funds during subsequent legislative sessions; the amount of private gifts to the revolving fund; the availability of any Federal funds; and any other factor that the Commission, in its sole discretion, may take into account in offering such financial assistance. Recipient agrees that Recipient's obligation to practice medicine full-time in the Community for the required period of time, or to make repayment with interest in lieu thereof according to the terms of this Agreement, for the amount of money loaned to the Recipient shall not be diminished in any way if subsequent financial assistance is not forthcoming.
- 8.4 The Commission is hereby authorized, without further notice, to fill in any blank spaces in this Agreement.
- 8.5 This Agreement, including the rights, duties and obligations hereunder, is not transferable nor assignable without the express written permission of the Commission.
- 8.6 Neither this Agreement nor any of the provisions contained herein may be modified or amended except by a subsequent agreement in writing signed by all parties. No amendment or modification of this Agreement shall be effective unless executed in writing by the parties hereto.
- 8.7 Subject to the availability of funds appropriated by the Legislature for this scholarship loan program, the Commission shall approve a request for contract extension if: a) the request does not extend the total period of scholarship loan award beyond the three years, and b) the recipient is otherwise eligible for continued participation in the scholarship loan program.

9. Date of Agreement

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

_____	_____
Date Executed	Recipient (Maker)
_____	_____
Date Executed	Recipient's Spouse (Co-Maker & Surety)
_____	_____
Date Executed	Executive Director Physician Manpower Training Commission

10. Record of Beginning Date

(To be completed when obligation begins)

_____ began practicing in _____, Oklahoma on _____.
 _____ His/Her obligation will be fulfilled on _____.