

## STUDENT LOAN REPAYMENT ASSISTANCE PROGRAM FOR ATTORNEYS

A. CLS will allocate up to \$25,000 per year to fund a "Loan Repayment Assistance Program". Under this program, employees with outstanding educational loan debt (as defined below) may receive monthly loans from CLS to assist in the payment of such outstanding education loan debt. These loans will be disbursed on a monthly basis.

B. The loan program will be effective January 1, 2000, and continue through the duration of this Agreement.

C. The monthly loan amount for which each employee is eligible is 100% of the employee's monthly educational loan debt payment (as defined below), up to a maximum of \$200. In the event that the annual \$25,000 allocation may be exhausted before the end of any calendar year, CLS shall not be required to make additional loan disbursements for that year, and the loan disbursements during the last month for which funds are available will be allocated among eligible loan recipients based on each participant's pro-rata share of the total monthly loan eligibility of participating employees.

D. Part-time employees are eligible for assistance through this program, on a pro-rata basis, consistent with the definition of "pro-rata" in Chapter 4, Paragraph 4.10(F). A part-time employee shall be eligible for the employee's monthly educational loan debt payment, up to a maximum of \$200 x percentage of full time worked.

E. All loans from CLS to eligible employees under this program are interest-free during the employee's continued employment, and are required to be repaid to CLS by the employee, unless forgiven pursuant to the schedule set forth in Paragraph 3.7(F), or the conditions set forth in Paragraph 3.7(H).

F. Effective January 1, 2000, the terms and schedule of forgiveness of loans made to CLS attorneys during a recipient's continued employment with CLS are as follows:

- One-half of each monthly loan will be forgiven one year after disbursement. The remaining half of each monthly loan will be forgiven two years after disbursement.
- Attorneys employed with CLS at the time of the signing of this Agreement, who have been employed with CLS for more than two years, will have the above-mentioned forgiveness schedule applied to all loans made after January 1, 1999.

G. Participation in this program is voluntary, and the program is available to a new employee commencing in the month following the first full calendar month of employment with CLS.

H. If an employee ceases to work for CLS before all loans are forgiven, the unforgiven portion will bear simple interest of 5.00% per year, as of the date of departure, and will be due two years following the date of departure from CLS. The termination of an employee, except where terminated due to a reduction in force or reorganization, does not abrogate the repayment obligation to CLS.

I. The term "educational loan debt" shall include all loans for educational instruction, which: (1) are issued by institutionally approved and certified student loan programs; and (2) lead directly to a professional certification or law degree. Only loans incurred during the course of study for which the specific professional degree is conferred are included. Personal loans from family members or friends are not covered. The loan program does not cover studies or programs such as an undergraduate degree for attorneys or continuing education courses to maintain a professional degree or certification.

J. The term "educational loan debt payment" shall be defined as the employee's monthly repayment obligation of educational loan debt. In determining each employee's monthly education loan debt payment, 67.8% of the monthly amount, if any, received by the employee from other loan payment assistance programs, including, but not limited to, those from the State Bar of Arizona or the employee's professional school, shall be deducted from the monthly payment obligation. As a condition of participation in the program, each employee requesting participation must provide CLS documentation to establish his or her eligibility for the program, and the amount of his or her educational loan debt payment, and shall disclose all benefits received under other loan payment assistance plans or programs.

K. CLS will permit an eligible employee to restructure educational debts under conventional student loan consolidation or restructuring programs, with a payment schedule that totals no less than ten years. If such consolidation involves a combination of eligible and ineligible educational loan debt, the amount eligible for participation in the program would be allocated on the basis of the original principal amounts of the eligible and ineligible components of the educational loan debt.