

Legal Services for Cape Cod and Islands, Inc.
Loan Repayment Assistance Program

LSCCI will participate in the Massachusetts Legal Assistance Corporation (MLAC) sponsored Loan Forgiveness Program. Loans from the Fund shall be forgiven, pursuant to the terms of each borrower's promissory note, if the borrower is employed by LSCCI for at least one year following the first disbursement. The discharge of Fund loans is intended to be excludible from the borrower's gross income for federal and Massachusetts income tax purposes.

All attorneys and paralegals employed at LSCCI who currently have student loan debt are eligible to participate. Temporary employees (those whose employment is not expected to last six months or longer) are not eligible to participate.

Each attorney or paralegal is eligible to participate in the program beginning the first month of the quarter following his/her probationary employment period.

Eligible attorneys and paralegals will furnish proof of their monthly payments and total loan obligations for all eligible loans. Personal loans from banks, family members or others are not included. Credit card debt incurred in educational costs or in paying off student loans is not included.

Participants in the program are required to apply for payments from other loan forgiveness programs for which they may be eligible.

Each loan from the Fund shall be documented by means of an interest bearing promissory note executed by the borrower in a form provided by MLAC.

At the end of each quarter, all participants will be required to submit proof of their loan payments for each month of the quarter. No payments for future quarters shall be made until this documentation has been provided.

Each eligible employee is entitled to a maximum benefit in loan forgiveness per month of 50% of their monthly obligation or the maximum allowed as follows, whichever is less:

<u>Years at LSCCI</u>	<u>Attorneys</u>	<u>Paralegals</u>
1-2	\$300	\$150
3-4	\$400	\$200
5 or more	\$500	\$300

The benefit will be pro-rated for any part-time employees based on the percent time the employee is of full time. LSCCI's participation will cap at 1.5% of total MLAC funding, or \$10,000.00, whichever is less, in any year this article is in effect. If claims for the benefit exceed \$10,000.00 at any time, the funds will be divided equally between eligible employees, with pro-rated funds being reduced proportionally, to stay within the \$10,000.00 cap.

Each participating employee will receive a quarterly payment from MLAC in an amount equivalent to 25% of the annual benefit. Any payments made by other loan forgiveness programs will be considered first before calculating the employee's annual student debt payment.

Each employee who participates in this Loan Forgiveness Program has, as a condition of participation, a continuing obligation to report any changes which affect the qualified loan debt, monthly loan payments or participation in other loan forgiveness or cancellation programs.

Payments will not be made to employees who are on leaves of absence.