



Student Loans Officer
Student Administration
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IMPORTANT NOTICE – GUARANTEE

The student named on the attached Guarantee Form has applied for a loan from James Cook University. The student has nominated you as a person who is willing to guarantee repayment of that loan by the student. On that basis, we are enclosing the Guarantee Form for your signature which must be witnessed by either a Justice of the Peace, Commissioner for Declarations or Solicitor.

The Loan

The loan to be advanced is free of charges unless the student is in default of the repayment terms. Default charges will then accrue and become repayable as part of the loan. The circumstances in which default will occur are described in the Guarantee, attached.

The Effect of the Guarantee

If the student defaults on the repayment terms the University may seek and enforce repayment of the entire balance of the loan, including default charges, from you as Guarantor.

Independent Legal Advice

The University strongly recommends that you seek independent legal advice before signing the Guarantee.

Consumer Credit Code

You should be aware that, except for a very small number of provisions, the Consumer Credit Code does not apply to the loan because it is made by a university to a student on the basis of financial hardship. One of the provisions of the Consumer Credit Code that does apply to the loan is Section 56 which deals with guarantees. Under that provision we are required to advise you of and obtain your consent prior to granting an increase of this loan to the Student. Section 70 of the Consumer Credit Code will also apply to this loan and enables the court to "re-open" what it considers to be an unjust transaction. These are some of the matters about which you should seek legal advice before signing the Guarantee.

If the student requests an increase of the loan, a new contract will be entered into.

Completing the Guarantee

If you are happy that you understand the legal and practical effect of the Guarantee and you are willing to act as Guarantor for the student, please sign this letter and the Guarantee, and return it to the Student Loans Officer, Townsville or Cairns Campus, James Cook University.

Yours faithfully

Student Loans Officer

Acknowledgement by Guarantor:

I acknowledge that I have received, read and understood this Important Notice and the Guarantee and that James Cook University has recommended that I seek independent legal advice before signing the Guarantee.

(Guarantor)

...../...../.....



GUARANTEE FORM

Guarantee made this _____ day of _____ 20 _____

BETWEEN _____

in the state of Queensland ("the Guarantor") and JAMES COOK UNIVERSITY ("the University")

RECITALS:

- A. The University is willing to advance a loan for the amount and term referred to in Item 1 of the Reference Schedule below to the person named in Item 2 of the Reference Schedule (the "Student").
B. In consideration of the University granting the loan the Guarantor guarantees repayment of the loan to the University.

GUARANTEE

- 1. The Guarantor unconditionally guarantees the due and punctual payment to the University on demand of all moneys (the 'Secured Moneys') which the Student becomes actually or contingently liable to pay to the University in relation to the Loan Agreement.

NATURE OF GUARANTEE

- 2. This Guarantee may be enforced against the Guarantor without the University first being required to exhaust any remedy it may have against the student. It is a continuing and irrevocable guarantee for the whole of the Secured Moneys and will remain in full force and effect until discharged and will apply to the present and future balance of the Secured Moneys.

GUARANTOR'S LIABILITY ABSOLUTE

- 3. The liability of the Guarantor is absolute and will not be affected by any act or omission which might otherwise operate to release the Guarantor from its obligations in whole or in part.

UNIVERSITY'S CERTIFICATION

- 4. A certificate of an officer of the University as to the amount for the time being due from the student to the University will be conclusive evidence for all purposes against the Guarantor in the absence of manifest error.

EXPENSES

- 5. The Guarantor shall reimburse the University for its expenses incurred in connection with the enforcement of this guarantee including legal costs and expenses on a full indemnity basis.

STATEMENT OF COSTS OF CREDIT

- 6. The Guarantor acknowledges that if the Student fails to make two (2) consecutive repayments by the scheduled repayments dates a default fee of \$25.00 will apply and that if the Student fails to make five (5) consecutive repayments by the scheduled repayment dates the Student will be deemed to be in substantial default, and:
(i) the loan will become payable immediately upon demand;
(ii) the loan will be referred to the University's debt collection agency whose fee is currently 10% of the outstanding loan balance; and
(iii) the Student and / or Guarantor will be liable for all costs relating to recovery of the outstanding balance of the Loan including all charges and fees.

REFERENCE SCHEDULE

Table with 3 columns: Item, Description, and Value. Rows include Loan Amount, Student Full Name, Student Address, Guarantor Full Name, and Guarantor Address.

SIGNED by the GUARANTOR..... Signature PRINT NAME

In the presence of..... Signature PRINT NAME