

Medical School Loan Repayment Program for Physician-Scientists

The Damon Runyon Physician-Scientist Training Award is designed to encourage outstanding physicians to pursue cancer research careers by providing them with the opportunity for a protected research training experience under the mentorship of a highly qualified and gifted mentor. As part of this award program, the Damon Runyon Cancer Research Foundation (the “Foundation”) will retire up to \$100,000 of any qualifying medical school debt still owed by the awardee.

Debt Repayment Program: Payment will be 50% of the outstanding debt during the award period, up to \$50,000, and 50% upon completion of the program, up to \$50,000, if the awardee demonstrates a commitment and intent to continue a career as a physician-scientist.

Qualifying loans: Debt incurred for tuition and direct educational expenses during medical school and any interest thereon. (Loans for general items or living expenses *e.g.*, housing, transportation, and consumables do not qualify for this program.) Loans must be from a government entity, academic institution, or commercial or chartered lending institution. Qualifying medical school loans, which have been combined or refinanced with non-qualifying loans, are not eligible for the loan repayment program.

Eligibility and amount of support: Debt and interest thereon will be paid up to an amount equal to \$50,000 in the aggregate over the four-year award period with amounts not to exceed \$12,500 in any one-year period, if the following conditions are met:

- I. Participants in this program must be current holders of the Damon Runyon Physician-Scientist Training Award in good standing.
- II. Participants eligible to participate in any NIH loan repayment program must first apply to that program. Damon Runyon will pay any qualifying medical school debt not paid by the NIH in accordance with this policy. Participants enrolled in NIH-sponsored loan repayment programs or any other debt relief programs must disclose the details of such agreements to the Foundation.
- III. Participants in this program must submit documentation regarding the loans (*e.g.*, receipts and supporting documents for tuition and direct educational expenses, loan agreements, and payment information) to the Foundation within one month of acceptance of a Physician-Scientist Training Award to determine whether they qualify for this program. Documentation of loan status and payment information must be provided to the Foundation annually, no later than one month prior to the award renewal date, as a condition of continued participation.
- IV. Participants must refund all amounts paid under this loan repayment program if they terminate the Physician-Scientist Training Award prior to completion of the four-year term.

Payments: For each year of eligibility during the award period, the Foundation will pay directly to each lender an amount representing the total payments owed by the participant for all qualifying loans for that year up to an aggregate maximum of \$12,500 (“Annual Debt Payments”). If the participant has qualifying loans with annual payments in excess of \$12,500,

the Foundation, in its discretion, will determine which loans it will pay. Upon the successful completion of the Physician-Scientist Training Award, the Foundation will pay the lending institutions the difference between the total amount already paid under the loan repayment program and \$100,000 (“Final Payment”). If the participant does not demonstrate a continuing commitment to a career as a physician-scientist upon completion of the Physician Scientist Training Award the Foundation reserves the right to withhold the Final Payment.

Consolidated loans: The Foundation will make repayments on consolidated loans that were originally obtained for qualifying medical school expenses but not when they have been combined or refinanced with non-qualifying loans. Participants must submit the loan agreement for consolidated loans as well as loan agreements for each of the underlying loans.

Leave without pay: Loan repayments will not be made during leaves of absence unless written permission is granted by the Foundation.

Obligations not qualifying for repayment: (i) Loans not obtained from a government entity, academic institution, or a commercial or other chartered lending institution such as loans from friends, relatives, or other individuals. (ii) Delinquent loans, loans in default, loans not current in their payment schedule, or loans already repaid. (iii) Late fees, penalty fees, additional interest charges, or collection costs.

Reimbursement for increased income tax liabilities: Loan repayments made to lenders represent taxable income to program participants. This income will be reported annually to the IRS and may result in an increase in participants’ Federal, State, and Local tax liabilities. To offset tax liability increases, the Foundation will approximate the added liability using the applicable tax rates each year and pay this amount directly to the participant at the time of each repayment (“Additional Tax Payment”). For purposes of the foregoing, the assumed tax rate shall be determined by the Foundation, in its sole discretion, and may or may not equal the tax rate that actually applies to the participant.

Payback agreement: If a participant in this program terminates his or her Physician-Scientist Training Award prior to the end of the four-year term, the Foundation shall, in its sole discretion, be entitled to require repayment by the participant of all Annual Debt Payments and Additional Tax Payments. This payback will be paid over the same period of time and in the same amounts as the initial payments by the Foundation. The Foundation reserves the right to waive this payback requirement if the participant continues in research after early termination of the Physician-Scientist Training Award.