

# TRANS STAR INC

# TRANS STAR AMBULANCE

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## *STUDENT EDUCATION LOAN AGREEMENT*

This Loan Agreement is being entered into between \_\_\_\_\_ (“Employee”) and Trans Star, Inc. (the “Company”) to provide specific terms and conditions related to a loan of funds by the Company to Employee. In this regard, the Company and Employee agree as follows:

1. Employee desires to obtain a loan from the Company and hereby specifically requests that the Company provide to him/her a loan of funds in the form specifically set forth below in section 2. Employee desires and requests a loan from the Company for his/her own financial reasons and for the purpose of obtaining educational training toward National Registry paramedic certification. This loan is being voluntarily sought and requested. Employee expressly acknowledges that he/she has not been required to obtain a loan of funds and/or become indebted to the Company as a condition and/or requirement of employment with the Company.
2. In an effort to provide financial assistance to Employee as requested above, the Company will loan to Employee up to a maximum amount of **Six Thousand Dollars and zero cents (\$6,000.00)** in the form of payment of tuition for a paramedic class. The maximum amount loaned to Employee shall not exceed **Six Thousand Dollars and zero cents (\$6,000.00)**. Employee understands, acknowledges and agrees that the loan amount constitutes a loan and a debt owed by him/her to the Company, which he/she is obligated to repay in full and must be paid back to the Company in accordance with the terms and conditions of this Agreement and the terms and conditions set forth in the attached Addendum 1 titled *Student Payroll Deduction Policy for Trans Star INC Employees* which is herein made part of this Agreement.
3. All amounts loaned to the employee shall become immediately due and payable upon accepting the terms and conditions of this loan and evidenced by the initial invoice date. If the employee remains employed by Trans Star Ambulance, the employee hereby agrees and Trans Star INC. will initiate payroll deduction each payroll period deducting equal payments in the amount specified in the attached promissory note and on the signed Trans Star INC *Employee Status Change Form* attached herein as Addendum 2.

4. Company agrees to defer repayment of the loan referenced herein until such time as Employee is no longer enrolled in the School of EMS's Paramedic Program so long as the Employee remains an employee in good standing with Company.

5. Should a student terminate their training program early; through either voluntary withdrawal, inadequate academic progress, policy violation, or any other reason; all amounts deferred will become immediately due and payable. An invoice will be generated and the payroll deduction will be placed in effect during the payroll period immediately following the date of termination from the training program.

6. Upon the student's successful completion of the training program, the payroll deduction will be implemented during the payroll period immediately following the published last date of the training program.

7. All amounts loaned to Employee and outstanding shall become immediately due and payable on the date of separation and/or the effective date of separation (as designated by the Company) and/or on any other date of default (whichever is earlier). In this event, notice of default and demand for payment shall be deemed given and Employee shall be obligated to pay back the full outstanding loan amount within thirty (30) days of separation of employment and/or the effective date of separation of employment (as designated by the Company) and/or on any other date of default (whichever is earlier). In any of these events, Employee hereby authorizes the Company to deduct any amounts due (in whole or in part) by Employee to the Company from any and all amounts owed to Employee including, but not limited to, any and all wages, salary, payments, compensation, bonuses, distributions and/or any other amounts, accounts and/or other items whatsoever that may be due by the Company to Employee. Employee expressly consents and agrees to such deductions and/or withholdings and expressly releases the Company from any and all claims and/or damages related to any such deduction and/or withholdings and including, but not limited to, any and all claims and damages under the Texas Wage Payment Statute (TX Labor Code Ann. §61.014 *et seq.*). Employee expressly assigns to the Company any and all such amounts that may be due him/her at separation from employment and/or as a result of separation from employment.

8. If the Company has to take any legal action for enforcement of this Agreement and/or for the collection of any amounts due, the Company shall be entitled to recover and Employee shall be obligated to pay any and all attorney's fees, costs, expenses and court costs that the Company

incurs in such actions and, in no event, less than 25% of the aggregate amount due and payable for attorney's fees.

9. The Company has the right to assign and/or transfer this loan agreement and the rights hereunder, the Demand Promissory Note, and the rights thereunder to any other person and/or entity. Employee may not assign this Agreement to any other person or entity.

10. The parties agree and acknowledge that this Agreement has been entered into in                     , TX, that this loan is being made from the Company's home office in Wichita Falls, TX and that the Employee's remittance of payment to the Company of any amounts due is to be made at the Company's home office in Wichita Falls, TX.

11. If any provision of this Agreement is held to be unenforceable and/or invalid, then said provision shall be severed and this Agreement shall be reformed in order to allow for the enforcement and validity of this Agreement to the maximum extent allowed by law. In this regard, reformation and severability shall apply to this Agreement.

12. Employee acknowledges that the Company has not provided him/her with any tax advice in connection with this loan nor the effect of this loan, repayment of the loan, discharge of the loan and/or forgiveness of the loan on taxes. The Company will make any required tax reportings and/or tax withholdings as may be required under applicable state and/or federal law.

13. Employee acknowledges that while enrolled in education programs at the School of EMS, Employee is a student of the School of EMS and this institution is the educational institution awarding the academic credit attained during the course of the education program. Employee also acknowledges the Company is not an eligible educational institution as defined by the United States Internal Revenue Service and is therefore not subject to reporting requirements of Form 1098-T.

14. If Employee files bankruptcy and/or is subject to an involuntary bankruptcy proceeding, the loan and/or Promissory Demand Note shall become immediately due and payable and shall be considered an event of default. Employee shall be obligated to pay the full amount of the loan and/or any other amounts outstanding, whether or not Employee remains employed with the Company.

15. This agreement shall be governed by and construed in accordance with the internal laws of the State of Texas, U.S.A, without reference to any conflicts of law provisions. Each party hereby submits to the exclusive jurisdiction of, and waives any venue or other objection against,

any federal court sitting in the County of Wichita, State of Texas, U.S.A, or any Texas state court in any legal proceeding arising out of or relating to this contract. Each party agrees that all claims and matter may be heard and determined in any such court and each party waives any right to object to such filing on venue, forum non conveniens, or similar grounds.

16. **CONFESSION OF JUDGMENT (COGNOVIT NOTE): The undersigned Employee irrevocably authorizes any attorney to appear in any court of competent jurisdiction and confess a judgment without process in favor of the creditor for such an amount as may then appear unpaid hereon, and to consent to immediate execution upon such judgment.**

16. **ALL PARTIES, PERSONS, AND ENTITIES TO THIS AGREEMENT ACKNOWLEDGE THAT THIS AGREEMENT IS BEING VOLUNTARILY ENTERED INTO, THAT THEY HAVE FULLY READ THIS AGREEMENT, THAT THEY UNDERSTAND ALL TERMS, CONDITIONS AND PROVISIONS OF THIS AGREEMENT AND THAT THEY ARE ENTERING INTO THIS AGREEMENT AFTER CONSULTATION AND/OR AFTER HAVING HAD THE OPPORTUNITY TO CONSULT WITH THEIR RESPECTIVE ATTORNEYS.**

The effective date of this Agreement is agreed by the parties to be [REDACTED], 20[REDACTED].

**EMPLOYEE:**

**TRANS STAR INC.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

Ryan P, Matthews, CEO  
\_\_\_\_\_  
Print Name/Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# PROMISSORY NOTE

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## *STUDENT EDUCATION LOAN AGREEMENT*

**\$6,000.00**

WICHITA FALLS, TX

As of [REDACTED]

FOR VALUE RECEIVED, [REDACTED], (the "Maker") a natural person of the full age of majority, promises to pay to the order of Trans Star INC. (the "Payee"), the principal sum of **Six Thousand Dollars and zero cents (\$6,000.00)** with any and all interest and penalties which may accrue as outlined herein from the date above until paid.

This Note is governed by the laws of the State of Texas and is subject to the terms of the Loan Agreement dated as of the same date including the ability for Debtor to be discharged from repayment of the loan.

Maker agrees to begin paying back the loan at a minimum of **One Hundred Fifteen dollars and thirty-eight cents (\$115.38)** per payroll period immediately upon completion or termination from the School of EMS's Paramedic Program, whichever occurs first in consecutive bi-weekly installments of principal and interest through and until the entire unpaid principal balance and all accrued interest shall be paid. Maker agrees to pay back the loan in full within twenty-four months of the date of demand. If the loan is not paid back in full at the end of twenty-four months from the date of demand, interest at a rate of 7.25% per annum shall accrue on a monthly basis on the remaining amount due.

The undersigned may at any time prepay all or any portion of the principal owing hereunder. The Company will make available the process of payroll deduction to the Maker for payment purposes while the Maker is an employee of the Company.

The holder of this Note shall have full recourse against the undersigned and shall not be required to proceed against any other party or collateral, which may secure this Note in the event of default before proceeding against the undersigned.

Both the principal and interest are payable in lawful money of the United States of America at Lafayette, Louisiana, or at such other place as the holder may from time to time designate.

In the event that the Maker shall cease to be an employee of the Company for any reason, this Note shall, at the option of the holder, be accelerated, and the whole unpaid or un-forgiven balance on this Note of principal shall be immediately due and payable on demand after ceasing to be an employee or one year if Termination is due to disability. At such time, interest at a rate of 7.25% per annum shall accrue on a monthly basis on the remaining amount due.

If any payment hereunder is not paid strictly when due and Maker fails to cure the default within thirty (30) days after receipt of a written notice of default, then the holder may without additional notice to Maker declare the entire principal balance, together with all accrued interest, to be immediately due and payable and the entire indebtedness shall be immediately due and payable without presentment, demand, protest, notice of protest, notice of intention to accelerate, or other notice of any kind, all of which are expressly waived.

Notwithstanding anything to the contrary in this note, if for any reason the effective rate of interest on the indebtedness evidenced by this note should exceed the maximum lawful rate of interest, the effective rate of interest on the indebtedness will be deemed reduced to and will be the maximum lawful rate. Any amounts of interest that have been collected in excess of the maximum lawful rate will be applied by the holder as a credit against the unpaid principal amount due.

Maker and endorsers, sureties, and guarantors severally waive presentment for payment, demand, notice of nonpayment, protest, and agree that a payment may be extended from time to time, or more times, without notice, binding themselves, solidarily, unconditionally, and as original promisors for the payment in principal and interest, costs and attorney's fees and expenses.

No delay on the part of the holder in exercising any rights hereunder shall operate as a waiver of such rights.

If this note is placed in the hands of an attorney or attorneys at law for collection, to prosecute claims in bankruptcy, to institute legal proceedings to recover the amount, or any part, in principal or interest, for compromise or other action, or otherwise to protect the interests of the holder, Maker and endorsers of the note bind themselves, jointly, severally, and in solido, to pay the reasonable fees of the attorneys who may be employed for that purpose.

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Signature

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Print Name

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Date

# Addendum 1

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## *Student Payroll Deduction Policy for Trans Star Ambulance Employees*

Payroll deductions are offered to current full-time employees of Trans Star Ambulance as a means to help defer the cost of attending EMT and Paramedic classes offered through the School of EMS. To ensure consistency across the company, the following policy will be adhered to in reference to these employees. This policy will be effective January 01, 2020.

- The student will have the option to begin payroll deductions for the current amount of tuition owed during the payroll period immediately following the incurrence of the debt or defer the deductions until the end of the training program; subject to certain terms and conditions.
- Payroll deduction forms and the payroll deduction loan agreement must be completed by the student and turned in to administration at Trans Star Ambulance prior to being allowed to begin coursework.
- If the student chooses to defer payroll deductions, the effective start date of the payroll deduction will be indicated on the status change form.
- Deferred payroll deduction status change forms and the payroll deduction loan agreement shall be kept on file in Human Resources and reviewed at the end of each payroll period.
- Should a student terminate their training program early; through either voluntary withdrawal, inadequate academic progress, policy violation, or any other reason; all amounts deferred will become immediately due and payable. An invoice will be generated and the payroll deduction will be placed in effect during the payroll period immediately following the date of termination from the training program.
- Should a student's employment with Trans Star Ambulance be terminated or changed from full-time status to part-time or any other designation other than full-time status **during** a training program; through voluntary termination, involuntary termination, reduction of force, or for any other reason; the student shall forfeit the interest free payroll deduction option, and an invoice for the entire amount owed shall be generated. The student will have the option to seek a private loan or contact the business office at Trans Star Ambulance to arrange a payment schedule within the current accounts receivable policies.
- Upon the student's successful completion of the training program, the payroll deduction will be implemented during the payroll period immediately following the published last date of the training program.
- Should a student's employment with Trans Star Ambulance be terminated or changed from full-time status to part-time or any other designation other than full-time status **after**

completing a training program and during the payroll deduction period; through voluntary termination, involuntary termination, reduction of force, or for any other reason; the student shall forfeit the reduced payroll deduction option, and an invoice for the entire amount owed shall be generated. The student shall contact the business office at Trans Star Ambulance to arrange a payment schedule authorized within accounts receivable policies that are current at the time of termination.

- The minimum amount allowed for deduction on each payroll shall be the greater of either \$25.00 or the minimum amount necessary to pay the entire sum owed in the time specified below. At no time shall any payroll deduction be less than \$25.00 per payroll period.
- Due to the incremental costs of each semester of training, the deferred payroll deductions shall be added together and payments shall be adjusted to reflect the final amount owed and payable during each payroll period.
- The number of payroll periods over which the deduction will be allowed shall be based on the total amount the student owes; however, at no time shall any payroll deduction period exceed 52 payroll periods or two years. The following chart outlines the maximum amount of time a specified amount may be payroll deducted:

Total Amount to be Payroll Deducted	Maximum Payroll Deductions
\$1.00 - \$2,500.00	26 payroll periods or 1 year
\$2,501.00 and up	52 payroll periods or 2 years

- **For Paramedic Students Only:** Upon successfully completing National Registry Paramedic Certification and obtaining a state specific Paramedic license, while employed by Trans Star INC in a full-time capacity the student’s outstanding **TUITION** debt will be reduced by 25% and the student’s payroll deduction will be reduced appropriately to continue payroll deductions over the previously determined deduction period; however, if the student/employee’s employment is terminated or changed from full-time status for whatever reason as noted above then this reduction shall no longer apply and the entire loan amount will become due and owing. This provision shall only apply to tuition and fees, this provision shall not apply to books and other ancillary provisions associated with the paramedic course.
- **Loan Amount for Books Not Forgiven and Not Reduced upon successful completion.** The student shall owe the entire amount borrowed for the purchase of books for the course. This amount shall not be forgiven or reduced. The provision above addressing the 25% reduction of **TUITION** debt upon obtaining National Registry Certification and state specific paramedic licensure does not apply to amounts due for books.
- **Tuition reduction only applies to employees electing to payroll deduct tuition.** This provision and policy only applies to employees electing to payroll deduct tuition. Trans Star will not refund 25% of tuition paid by the student. If a student has a zero balance, Trans Star will not reimburse any funds already paid for any reason.



Any questions not addressed in the foregoing bullet points should be directed to TSI Management for clarification and to be addressed on a case-by-case basis.

**ALL PARTIES, PERSONS, AND ENTITIES TO THIS ADDENDUM ACKNOWLEDGE THAT THIS ADDENDUM IS BEING VOLUNTARILY ENTERED INTO, THAT THEY HAVE FULLY READ THIS AGREEMENT, THAT THEY UNDERSTAND ALL TERMS, CONDITIONS AND PROVISIONS OF THIS AGREEMENT AND THAT THEY ARE ENTERING INTO THIS AGREEMENT AFTER CONSULTATION AND/OR AFTER HAVING HAD THE OPPORTUNITY TO CONSULT WITH THEIR RESPECTIVE ATTORNEYS.**

**EMPLOYEE:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

**TRANS STAR INC**

\_\_\_\_\_  
Signature

Ryan P. Matthews, CEO  
\_\_\_\_\_  
Print Name/Title

\_\_\_\_\_  
Date

# Addendum 2

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*Trans Star Ambulance Employee Status Change Form*

*Remainder of Page Intentionally Blank –*

*Complete form on next page.*



# NOTICE OF EMPLOYMENT/EMPLOYEE STATUS CHANGE

EMP. # \_\_\_\_\_

NAME \_\_\_\_\_ SOCIAL SECURITY# \_\_\_\_\_  
(Last) (First) (Int.)

Change ADDRESS \_\_\_\_\_  
(Number) (Street) (City) (State) (Zip)  
\_\_\_\_\_  
(County)

PH# \_\_\_\_\_ Cell #(Office Use Only) \_\_\_\_\_ DOB \_\_\_\_\_

SEX:  MALE  FEMALE RACE: W  B  H  A  AI  SINGLE/MARRIED/OTHER \_\_\_\_\_

NEW / REHIRE EMPLOYEE: Date of Employment \_\_\_\_\_ Hourly rate \$ \_\_\_\_\_ @ \_\_\_\_\_  
Base rate \$ \_\_\_\_\_ @ \_\_\_\_\_  
rate \$ \_\_\_\_\_ @ \_\_\_\_\_  
rate \$ \_\_\_\_\_ @ \_\_\_\_\_

Job Title \_\_\_\_\_ Wage Year \_\_\_\_\_ Annual \$ \_\_\_\_\_

Dept # \_\_\_\_\_ Assignment # \_\_\_\_\_ SMS Rotation \_\_\_\_\_  Full time  PRN  Part time  Temp.

Supervisor \_\_\_\_\_ OM \_\_\_\_\_ VPO \_\_\_\_\_

BONUS: \_\_\_\_\_

DEDUCTION: \$ 115.38 / Payroll for 52 Payrolls Totaling \$ 6,000.00  
Amount Per Payroll Number  
Effective \_\_\_\_\_ Reason: Paramedic Tuition

I authorize the above deduction(s) and/or changes \_\_\_\_\_  
Employee's Signature Date

Human Resources	Payroll
_____	_____
Date	Date

CHANGES ARE TO BE SUBMITTED THROUGH HUMAN RESOURCES