

Loan Interest Rate & Fees

Your **starting interest rate** will be between

6.00%

and

18.00%

After the starting rate is set, your rate will then vary with the market

Your Starting Interest Rate (upon approval)

The starting interest rate you pay will be determined after you apply. It will be based upon your credit history and other factors (co-signer credit, school type, etc). If approved, we will notify you of the rate you qualify for within the stated range.

Your Interest Rate during the life of the loan

Your rate is variable. This means that your rate could move lower or higher. The in-school rate is a variable rate is based upon the Prime Rate (as published in the *Wall Street Journal*). The repayment rate will be a fixed rate at the current Prime rate plus your margin or the current posted rate (at the time of your repayment), whichever is greater. For more information on this rate, see the reference notes.

Although the rate will vary after you are approved, it will **never exceed 18%** (the maximum allowable for this loan).

Loan Fees

Late Charge: If more than 10 days late in making a payment you will be assessed a late charge of \$15 or 5% of your monthly payment whichever is greater. **Returned check charge:** up to \$20.

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon two (2) different repayment options available to you while enrolled in school.

Repayment Option (while enrolled in school)	Amount Provided (amount provided directly to your school)	Interest Rate (highest possible starting rate)	Loan Term* (how long you have to pay off the loan)	Total Paid over 10 years** (includes associated fees)
1. PAY ONLY THE INTEREST Make interest payments but defer payments on the principal amount while enrolled in school.	\$10,000	18%	10 years starting <u>after</u> the deferment period	\$29,727.78
2. MAKE FULL PAYMENTS Pay both the principal and interest amounts while enrolled in school.	\$10,000	18%	10 years starting after your first payment	\$21,627.78

About this example

*The repayment example assumes that you remain in school for 4 years and have a 6 month grace period before beginning repayment. It is based on the **highest starting rate currently charged**. For loan amounts **up to \$25,000**, repayment will last 10 years, starting once the initial principal payment is made. For loan amounts **less than \$25,000** repayment will last 12 months per \$1000 borrowed, starting once the initial principal payment is made.

**This amount includes the total interest payments at 18% for the 4 years and 6 months grace period before repayment begins, and the principal and interest payments for the maximum of 10 years.

Federal Loan Alternatives

Loan program	Current Interest Rates by Program Type	
PERKINS for Students	5% fixed	
STAFFORD for Students	5.6% fixed	Undergraduate subsidized
	6.8% fixed	Undergraduate unsubsidized & Graduate
PLUS for Parents and Graduate / Professional Students	8.5% fixed	Federal Family Education Loan
	7.9% fixed	Federal Direct Loan

You may qualify for Federal education loans.

For additional information, **contact your school's financial aid office or the Department of Education at:**
www.federalstudentaid.ed.gov

Next Steps

1. Find Out About Other Loan Options.

Some schools have school-specific student loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's web site at: www.federalstudentaid.ed.gov for more information about other loans.

2. To Complete the Loan Application and the Self-Certification Form.

If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law and the variable interest rate may change based on the market). You may get the self-certification form from your school's financial aid office or at the closing of this loan. You will have a three business day rescission period, after you sign your Promissory Note, to cancel your loan before we can disburse the funds to your school.

REFERENCE NOTES

Variable Interest Rate

- This loan has a variable interest rate that is based on a publicly available index, the Prime Rate. Your rate will be calculated each month by adding a margin (based on your credit) to the Prime Rate.
- The rate will not increase more than once a month, but there is no limit on the amount that the rate could increase at one time.
- The rate will change the first day of each month.

Eligibility Criteria

Borrower

- Must be enrolled at an eligible school.
- Must be 18 years or older at the time you apply unless you are applying with a qualified co-signer.

Co-signers

- Rates are typically higher without a co-signer.
- Must be 18 years or older at the time of loan application.

Bankruptcy Limitations

- If you file for bankruptcy you may still be required to pay back this loan.

More information about loan eligibility and repayment deferral options are available in your loan application and loan agreement.