

## Loan Interest Rate & Fees

Your **starting interest rate** will be between

3.750%

and

11.500%

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 on your credit history and other factors (presence of a cosigner, cosigner credit history, if applicable, and whether you are a graduate or an undergraduate). 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 your rate could move lower or higher than the rates on this form. The variable rate is based upon the one-month LIBOR Rate (as published in the Wall Street Journal). For more information on this rate, see the reference notes.

The rate will vary after you are approved and there is no limit on the amount the interest rate can increase.

## Loan Fees

**Late Fee:** 5% of the monthly payment if not made on or before the 10th day after its due date.

## 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 three (3) repayment options available to you while enrolled in school.

Repayment Option (while enrolled in school)	Amount Provided (amount provided directly to you or your school)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid over 180 months (includes associated fees)
<b>1. DEFER PAYMENTS</b> Make no payments while enrolled in school. Interest will be charged and added to your loan.	\$10,000.00	11.500%	180 months starting after the deferment period	<b>\$31,447.27</b>
<b>2. PAY ONLY THE INTEREST</b> Make interest payments but defer payments on the principal amount while enrolled in school.	\$10,000.00	11.500%	180 months starting after the deferment period	<b>\$26,010.86</b>
<b>3. MAKE FULL PAYMENTS</b> Pay both principal and interest amounts while enrolled in school.	\$10,000.00	11.500%	180 months starting after your first payment	<b>\$21,144.68</b>

### About this example

The repayment example assumes that you remain in school for 45 months and have a six month grace period before entering repayment. It is based upon the highest starting rate currently charged.

# Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type
<b>PERKINS</b> for Students	5% fixed
<b>STAFFORD</b> for Students	5.6% fixed Undergraduate subsidized
	6.8% fixed Undergraduate unsubsidized & Graduate
<b>PLUS</b> 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](http://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](http://www.federalstudentaid.ed.gov) for more information about other loans.

### 2. To Apply for this Loan, Complete the Application and the Self-Certification Form.

You may get the certification form from your school's financial aid office. 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).

## REFERENCE NOTES

### Variable Interest Rate

- This loan has a variable interest rate that is based on the One-Month London Interbank Offered Rate (LIBOR) index which is published in the "Money Rates" section of The Wall Street Journal (Eastern Edition) and will be equal to the LIBOR rate published on the 25th day (or if such 25th day is not a business day, the next business day thereafter) of the month immediately preceding such calendar month, rounded up to the nearest one-eighth of one percent (0.125%)
- Your rate will be calculated each month by adding your margin (which can range from 3.500% to 11.250% depending upon your or your cosigner's credit history) to the current One-Month LIBOR Index.
- The rate will not increase more than once per month, but there is no limit on the amount that the rate could increase at one time.

### Eligibility Criteria

#### Borrower:

- Must be enrolled at an eligible school at least half-time.
- Borrower must be the legal age of majority or at least 17 years of age with a cosigner who is legal age of majority. All cosigners must be the legal age of majority. Age of majority is determined by your state of permanent residence:
  - 18 years of age in most states.
  - 19 years of age in Alabama and Nebraska.
  - 21 years of age in Mississippi and Puerto Rico.
- Rates are typically higher without a cosigner.

#### Co-signer:

- Rates are typically higher without a cosigner
- All cosigners must be the legal age of majority. Age of majority is determined by your state of permanent residence.
  - 18 years of age in most states.
  - 19 years of age in Alabama and Nebraska.
  - 21 years of age in Mississippi and Puerto Rico.

### Bankruptcy Limitations

- If you (borrower or cosigner) file for bankruptcy, you may still be required to pay back this loan.