

Variable Rate Application and Solicitation Disclosure

Loan Interest Rate & Fees

Your **starting interest rate** will be between

2.13% and **4.75%**

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. The rate will be established based upon your credit profile and the credit profile of your cosigner, if applicable, the repayment term you select, and debt-to-income ratio. If approved, we will notify you of the rates you qualify for within the stated range.

Your Interest Rate during the life of the loan

Your rate is variable. This means that your actual rate varies with the market and could be lower or higher than the rate on this form. The variable rate is based upon the 1-month LIBOR published in the "Money Rates" section of *The Wall Street Journal* on the 25th day (or the next business day) of each preceding calendar month. For more information on this rate, see Reference Notes.

Although the rate will vary after you are approved, **it will never exceed 9.00% for 5 year and 8 year loans and 10.00% for 12 and 15 years loans** (the maximum allowable for this loan).
Minimum rate for the loan is 2.00%

Loan Fees

Origination Fee 0% **Late Charges:** 20% of the finance charge with a minimum charge of five dollars (\$5.00) and a maximum charge of twenty-five dollars (\$25.00). **Collection and Default Charges:** In the event of a default, the borrower may incur additional collection charges as permitted under applicable law.

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. Immediate payments of principal and interest are due following the disbursement of loan proceeds. There are no deferral options for this loan.

Repayment Option	Amount Provided* (amount provided directly to your lender(s) on your behalf)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid over 15 years
1. MAKE FULL PAYMENTS Make principal and interest payments.	\$10,000	5.25%	15 years starting <u>after</u> disbursement	\$14,000.97

About this example

The loan cost example is based on the highest variable interest rate currently charged (using current 1-month LIBOR values) and a 15 year repayment term, and assumes that all payments are made on the date they are due. The actual loan cost will vary depending upon your selected repayment term.

* The example is based on a loan amount of \$10,000. The minimum loan amount for this program is \$7,500.

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Federal Loan Alternative

There are currently no Federal Loan Alternatives that allow the consolidation of private student loans. Federal Consolidation Loans only allow for the consolidation of Federal student loans.

Next Steps

1. Find Out About Other Loan Options.

Visit the Department of Education's website at: <http://www.studentaid.ed.gov/> for more information about consolidation loan options that may be available for federal student loans.

2. To Apply for this Loan, Complete the Application.

An Approval Disclosure will be provided to you after you have completed the application process if your loan is approved. The Approval Disclosure will identify the loan terms for which you are approved. The loan terms will be available for 30 days (terms will not change during this period, except as permitted by law).

REFERENCE NOTES

Variable Interest Rate

- The Variable Interest Rate is based upon the 1-month LIBOR plus a margin based on your selected repayment term, debt-to-income, and credit profile or the credit profile of your cosigner, if applicable.
- 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. Your rate will never exceed 10.00% if you select a 12 or 15 year loan; or 9.00% if you select a 5 or 8 year loan.
- If the Interest Rate increases, your monthly payments will be higher.

Eligibility Criteria

Borrower

- Must be a U.S. Citizen
- Must be at least the age of majority or older at the time of application (18 years in most states for student loan contract purposes; 21 years in Puerto Rico).

Cosigner

- A cosigner may be required if borrower's credit score is below a minimum level.
- Must be a U.S. Citizen.
- Must be at least the age of majority or older at the time of application (18 years in most states for student loan contract purposes; 21 years in Puerto Rico).
- Applying without a cosigner typically results in a higher rate.

Borrower and Cosigner

- Both borrower and cosigner are subject to credit approval. Additional documentation may be required.
- Borrower or cosigner must meet any income and other underwriting requirements.

Loans Eligible for Refinancing and/or Consolidation

- Loans cannot be in a delinquent status and must have an aggregate minimum outstanding balance among all loans of \$7,500.
- Loans must have been used only for qualified higher education expenses (as defined in 26 USC Section 221) at an accredited U.S. higher education institution.

Bankruptcy Limitations

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

Prepayments

- If you chose to prepay your principal at any time, you will not be charged a prepayment penalty.

More information about loan eligibility and deferral and forbearance options is available in the Credit Agreement.