

**First ABC Bank**  
 12345 1st St  
 Anytown, CA 93120  
 (800) 555 - 5555

## Rates & Loan Terms

Current Starting Interest Rates between:

**7.375%** and **17.375%**

Term of Loan:

amounts up to \$20,000: **20 years**  
 amounts more than \$20,000: **30 years**

### Your starting rate

Your specific rate will be determined based upon your creditworthiness and other factors.

### Maximum Interest Rate

Your interest rate **will vary with the market** based on the LIBOR Rate (a publicly available interest rate we use to set the variable rate) but **will never go above 25%**. The rate can change once a month and there is no limit on how much the rate can increase at one time.

### Fees

**Application Fee:** \$15. **Origination Fee:** The fees that we charge to make this loan range from 0% to 6%. **Late Charge:** 5% of the amount of the past due payment, or \$25, whichever is greater. **Returned check charge:** up to \$25.

## Repayment Options & Sample Costs

In-School Repayment options (available while continuously enrolled in School)	Sample Loan amount	Sample Interest Rate (highest possible starting rate)	Sample Total Paid (over 20 years, including fees)
<b>1. MAKE NO PAYMENTS</b> Interest will be charged and added to your loan	\$10,000.00	17.375%	<b>\$67,780.47</b>
<b>2. PAY THE INTEREST ONLY</b> Defer payments on the principal amount	\$10,000.00	17.375%	<b>\$46,332.56</b>
<b>3. MAKE FULL PAYMENTS</b> Pay principal and interest	\$10,000.00	17.375%	<b>\$38,044.68</b>

See reference notes on next page for more information about this example.

## Federal Loan Alternatives

Loan program	Current Interest Rates	
<b>PERKINS</b> for Students	5% fixed	
<b>STAFFORD</b> for Students	6% fixed	Undergraduate subsidized
	6.8% fixed	Undergraduate unsubsidized & Graduate
<b>PLUS</b> for Parents	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:**  
[federalstudentaid.ed.gov](http://federalstudentaid.ed.gov)

---

## Next Steps

---

### 1. Find Out More 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 [federalstudentaid.ed.gov](https://federalstudentaid.ed.gov) for more information about other loans.

### 2. To Apply for this Loan, Complete the Application and the School 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 the variable interest rate may change based on adjustments to the index).

## REFERENCE NOTES

### Variable Interest Rate

- This loan has a variable interest rate, that is based on a publicly available index, the London Interbank Offered Rate (LIBOR). Your rate will be calculated each month by adding a margin between 3% and 14% to the LIBOR.

### Eligibility Criteria

#### Borrower

- Must be enrolled at an eligible school at least half-time
- Must be 18 years or older at the time of loan application.

#### Co-signers

- A co-signer is not required, but rates are typically higher without a co-signer

- Must be 18 years or older at the time of loan application.

**More information about loan eligibility is available in your loan application and promissory note.**

### About the Repayment Example

The repayment example above is based on the highest starting rate currently available and associated fees. It assumes that the borrower remains in school for 4 years and has a 6 month grace period before beginning repayment. Repayment will last 20 years.