Smart Option Student Loan

Variable Rate Type (see pages 3 & 4 for Fixed Rate Type)

Loan Interest Rate & Fees

Your starting interest rate will be between

1.500%  
and  
12.125%

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 the borrower’s credit history and other factors (cosigner credit, repayment option, 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 than the rates on this form. The variable rate is based upon the one-month LIBOR Rate (as published by Reuters on its Reuters Screen LIBOR01). For more information on this rate, see the reference notes.

Although the rate will vary after you are approved, it will never exceed 25.000% (the maximum allowable for this loan).

Loan Fees

Application Fee: $0.00. Origination Fee: The fees that we charge to make this loan range from 0.000% to 0.000% of total loan amount. Loan Guarantee Fee: 0.000% to 0.000% of total loan amount. Repayment Fee: The fees we charge when you begin repayment range from 0.000% to 0.000% of the total loan amount. Late Fee: 5.000% of the amount of the past due payment, up to a maximum of $25. Returned Check Fee: up to $20.00.

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) different repayment options available to you while enrolled in school.

<table>
<thead>
<tr>
<th>Repayment Option</th>
<th>Amount Provided</th>
<th>Interest Rate</th>
<th>Loan Term</th>
<th>Total Paid over life of loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>(while enrolled in school and during the separation period of 6 billing periods thereafter)</td>
<td>(amount provided directly to you or your school)</td>
<td>(highest possible starting rate)</td>
<td>(how long you have to pay off the loan)</td>
<td>(includes associated fees)</td>
</tr>
<tr>
<td>1. INTEREST REPAYMENT</td>
<td>$10,000</td>
<td>12.125%</td>
<td>15 years starting after the separation period</td>
<td>$26,697.81</td>
</tr>
<tr>
<td>Make interest payments but defer payments on the principal amount while enrolled in school and during the separation period.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. FIXED REPAYMENT</td>
<td>$10,000</td>
<td>12.125%</td>
<td>15 years starting after the separation period</td>
<td>$30,981.11</td>
</tr>
<tr>
<td>Make payments of $25 while enrolled in school and during the separation period. Interest will be charged and added to your loan.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. DEFERRED REPAYMENT</td>
<td>$10,000</td>
<td>12.125%</td>
<td>15 years starting after the separation period</td>
<td>$32,466.76</td>
</tr>
<tr>
<td>Make no payments while enrolled in school and during the separation period. Interest will be charged and added to your loan.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

About this example

The repayment example assumes you have no prior loans with us, remain in school for 4 years and have a 6-month separation period before beginning repayment. This results in a 15-year term after the separation period. It is based on the highest starting rate currently charged and associated fees. The term of the loan, which is the period during which regularly scheduled payments of principal and interest will be due, is up to 15 years, subject to a minimum monthly payment amount of $50. The term of the loan will be determined after you apply. It will be based on the repayment option selected, the borrower's cumulative loan balance with us, and the academic grade level provided by you. If you are approved, we will notify you of the term applicable to your loan.
Federal Loan Alternatives

<table>
<thead>
<tr>
<th>Loan Program</th>
<th>Current Interest Rates by Program Type</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STAFFORD</strong> for Students</td>
<td>2.750% fixed Undergraduate subsidized and unsubsidized</td>
</tr>
<tr>
<td></td>
<td>4.300% fixed Graduate</td>
</tr>
<tr>
<td><strong>PLUS</strong> for Parents and</td>
<td>5.300% fixed Federal Direct Loan</td>
</tr>
<tr>
<td>Graduate/Professional Students</td>
<td></td>
</tr>
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</table>

You may qualify for Federal education loans. For additional information, contact your school’s financial aid office or the Department of Education at:

www.studentaid.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.studentaid.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 a publicly available index, the one-month London Interbank Offered Rate rounded up to the nearest one-eighth of one percent (LIBOR). Your rate will be calculated each month by adding a margin between 1.250% and 11.875% to the LIBOR.
- 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.
- Please see your promissory note for more information about the circumstances in which a replacement or substitute index may be used in place of LIBOR.

**Cosigner**

- A cosigner is not required for U.S. citizens and permanent resident aliens, but may help you qualify and/or receive a lower interest rate.
- Must have attained the age of majority in the cosigner’s state of residence at the time of loan application.

**Bankruptcy Limitations**

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

**Eligibility Criteria**

**Borrower**

- For full-time, half-time, or less-than-half-time enrollment at an eligible school.
- Must have attained the age of majority in your state of residence at the time you apply. Otherwise a cosigner is needed.

**More information about loan eligibility and repayment deferral or forbearance options is available in your loan application and promissory note.**
Smart Option Student Loan
Fixed Rate Type (see pages 1 & 2 for Variable Rate Type)

Loan Interest Rate & Fees

Your interest rate will be between 4.500% and 13.375%

After the rate is set, it will be fixed for the life of the loan

Your Interest Rate (upon approval)
The interest rate you pay will be determined after you apply. It will be based upon the borrower's credit history and other factors (cosigner credit, repayment option, 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 fixed. This means that your rate will not increase or decrease for the life of the loan. For more information on this rate, see the reference notes.

Loan Fees
Application Fee: $0.00, Origination Fee: The fees that we charge to make this loan range from 0.000% to 0.000% of total loan amount. Loan Guarantee Fee: 0.000% to 0.000% of total loan amount. Repayment Fee: The fees we charge when you begin repayment range from 0.000% to 0.000% of the total loan amount. Late Fee: 5.00% of the amount of the past due payment, up to a maximum of $25. Returned Check Fee: up to $20.00.

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) different repayment options available to you while enrolled in school.

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<tr>
<td><strong>1. INTEREST REPAYMENT</strong></td>
<td>$10,000</td>
<td>13.375%</td>
<td>15 years starting after the separation period</td>
<td>$28,662.92</td>
</tr>
<tr>
<td>Make interest payments but defer payments on the principal amount while enrolled in school and during the separation period.</td>
<td></td>
<td></td>
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<td></td>
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<td><strong>2. FIXED REPAYMENT</strong></td>
<td>$10,000</td>
<td>13.375%</td>
<td>15 years starting after the separation period</td>
<td>$34,146.35</td>
</tr>
<tr>
<td>Make payments of $25 while enrolled in school and during the separation period. Interest will be charged and added to your loan.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>3. DEFERRED REPAYMENT</strong></td>
<td>$10,000</td>
<td>13.375%</td>
<td>15 years starting after the separation period</td>
<td>$35,813.14</td>
</tr>
<tr>
<td>Make no payments while enrolled in school and during the separation period. Interest will be charged and added to your loan.</td>
<td></td>
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About this example
The repayment example assumes you have no prior loans with us, remain in school for 2 years and have a 6-month separation period before beginning repayment. This results in a 15-year term after the separation period. It is based on the highest starting rate currently charged and associated fees. The term of the loan, which is the period during which regularly scheduled payments of principal and interest will be due, is up to 15 years, subject to a minimum monthly payment amount of $50. The term of the loan will be determined after you apply. It will be based on the repayment option selected, the borrower's cumulative loan balance with us, and the academic grade level provided by you. If you are approved, we will notify you of the term applicable to your loan.
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REFERENCE NOTES

**Fixed Interest Rate**
- This loan has a fixed interest rate, and will not increase or decrease for the life of the loan.

**Eligibility Criteria**

**Borrower**
- For full-time, half-time, or less-than-half-time enrollment at an eligible school.
- Must have attained the age of majority in your state of residence at the time you apply. Otherwise a cosigner is needed.

**Cosigner**
- A cosigner is not required for U.S. citizens and permanent resident aliens, but may help you qualify and/or receive a lower interest rate.
- Must have attained the age of majority in cosigner's state of residence 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 or forbearance options is available in your loan application and promissory note.