

Loan Interest Rate & Fees

Your **interest rate** will be between

4.70% and 8.55%

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

Your Interest Rate (upon approval)

The interest rate you pay will be determined when you apply and will be based on the creditworthiness of the cosigner, the repayment term you select, and the repayment option you select. If you choose to make payments of principal and interest while in school, your rate will be between 4.70% and 6.41%. If you choose to make interest-only payments while you are in school your rate will be between 6.63% and 7.83%. If you choose to defer all payments while you are in school your rate will be between 7.49% and 8.55%; this choice is subject to VSAC approval and the availability of funds. If approved, we will notify you of the rates you qualify for based on the cosigner's creditworthiness and the repayment options.

Your Interest Rate during the life of the loan

Your rate is fixed. This means that your rate will remain the same for the life of your loan. For more information on this rate, see the reference notes.

Your rate will never change during the life of your loan. The rate is determined by your cosigner's creditworthiness and your repayment selections and will remain constant.

Loan Fees

Late Fee: 6% of the amount of the late payment. **Returned Check Charge:** \$10.00.

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) repayment options that may be 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 the Loan Term (includes associated fees)
1. PRINCIPAL and INTEREST PAYMENT Pay both the principal and interest amounts while enrolled in school.	\$10,000	6.11%	10 years starting <u>after</u> the final disbursement.	\$13,388.21
		6.41%	15 years starting <u>after</u> the final disbursement	\$15,589.11
2. INTEREST-ONLY PAYMENT Make interest-only payments while enrolled in school.	\$10,000	7.53%	10 years starting <u>after</u> the deferment period.	\$17,020.46
		7.83%	15 years starting <u>after</u> the deferment period.	\$19,891.73
3. DEFERRED PAYMENT Make no payments while enrolled in school. Interest will accrue and be added to your loan principal.	\$10,000	8.25%	10 years starting <u>after</u> the deferment period.	\$19,165.49
		8.55%	15 years starting <u>after</u> the deferment period.	\$23,344.85

About this example: All the repayment examples assume a single disbursement, the highest possible interest rate for the repayment option, that you remain in school for 4 years and that there is no grace period after you leave school. The **Deferred Payment option** assumes that repayment begins after you leave school. The **Interest-Only Payment option** assumes that you will make interest payments while in school and that repayment of the principal and interest begins after you leave school. The **Principal and Interest Payment option** assumes that repayment begins at final disbursement.

Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type	
Direct Subsidized and Unsubsidized for Undergraduate Students	4.99 % fixed	Undergraduate
Direct Unsubsidized for Graduate or Professional Students	6.54 % fixed	Graduate unsubsidized
Direct PLUS for Parents and Graduate/Professional Students	7.54 % fixed	

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.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.studentaid.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).

REFERENCE NOTES

Interest Rate

This loan has a fixed interest rate. Your rate is determined by the creditworthiness of the cosigner and the loan term and the repayment option you choose when you apply for the loan.

Eligibility Criteria

Borrower Must:

- Be enrolled or re-enrolling at an eligible post-secondary institution on an at least a half time basis.
- Be attending an eligible Vermont institution or be a Vermont resident attending an eligible institution in another state.
- Be a U. S. citizen or an eligible non-citizen.
- Be eligible for federal student aid.
- Not have ever defaulted on an education loan.

Cosigner Must:

- Be a U. S. citizen or an eligible non-citizen.
- Meet VSAC credit requirements.
- Not have ever defaulted on an education loan.

Bankruptcy Limitations

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

More information about loan eligibility and repayment and forbearance options is available in your Application/Credit Agreement.

Notice for students attending Virginia schools:

Private education loans are one tool that students use to finance their education. Your lender and your institution's Financial Aid Office provide assistance with eligibility for the loans. For borrowers who have existing private education loans, Virginia has a Student Loan Advocate to assist borrowers who are struggling with repayment. You can contact the Student Loan Advocate at: State Council of Higher Education for Virginia, James Monroe Building, 10th Floor, 101 N. 14th Street, Richmond, VA 23219; studentloan@schev.edu; 804-786-2832. In addition, resources for prospective and current private education loan borrowers are available online at schev.edu/privateloan.