

Loan Interest Rate & Fees

Your **interest rate** will be either

5.90%, 6.65% or 7.55%

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 which payment option you select and if you are approved for that option. If you choose to make payments of principal and interest while in school, your rate will be fixed at 5.90%. If you choose to make interest-only payments while you are in school your rate will be fixed at 6.65%. If you choose to defer all payments while you are in school your rate will be fixed at 7.55%; this choice is subject to VSAC approval and the availability of funds. If approved, we will notify you of the rate you qualify for based on your payment option.

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 repayment option and will remain constant.

Loan Fees

Origination Fee: The fees that we charge to make this loan range from 0% to 5% of the total loan amount. **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	5.90%	15 years starting <u>after</u> the final disbursement.	\$15,090.46
2. INTEREST-ONLY PAYMENT Make interest-only payments while enrolled in school.	\$10,000	6.65%	15 years starting <u>after</u> the deferment period.	\$18,264.80
3. DEFERRED PAYMENT Make no payments while enrolled in school. Interest will accrue and be added to your loan principal.	\$10,000	7.55%	15 years starting <u>after</u> the deferment period.	\$21,365.34

About this example: All the repayment examples assume 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. For loan amounts of less than \$10,000, repayment will last 10 years (120 months) once the initial principal payment is made. For loan amounts of \$10,000 or more, repayment will last 15 years (180 months) once the initial principal payment is made.

Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type	
PERKINS for Students	5.00 % fixed	
STAFFORD for Students	5.05 % fixed	Undergraduate subsidized & unsubsidized
	6.60 % fixed	Graduate unsubsidized
PLUS for Parents and Graduate/ Professional Students	7.60 % 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.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 based on 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 be in default on an education loan.

Cosigner Must:

- Be a U. S. citizen or an eligible non-citizen.
- Meet VSAC credit requirements.
- Not be in default 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.