

**Bank of North Dakota**  
PO Box 5509  
Bismarck, ND 58506-5509  
800.472.2166 ext. 328.5763

## Loan Interest Rate (Variable) & Fees

Your **starting interest rate** will be between

**3.83%**

and

**4.83%**

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 when your loan is approved. It will be based upon your state of legal residence. If approved, we will notify you of your starting rate. For more information, see Reference notes.

### 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 3-month London Interbank Offered Rate (LIBOR) as posted by Bloomberg. For more information on this rate, see Reference Notes.

Although the rate will vary after you are approved, it will **never exceed 10%** (the maximum allowable for this loan).

### Loan Fees

**Administrative Fee:** Up to 3.75% of the total loan amount. BND may pay the fee for North Dakota residents.

**Late Charge:** 6% of the unpaid portion of the installment or a maximum amount of \$15.00.

**Non-Sufficient Funds (NSF):** \$25.00.

## Loan Cost Examples

Repayment Option	Amount Financed	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid Over Life of the Loan (includes associated fees)
<b>MAKE FULL PAYMENTS</b> Principal and interest payments.	\$10,000	4.83%	10 years	<b>\$13,101.60</b>

### About this example

The repayment example is based on the **highest starting rate currently charged** and the administrative fee.

## Next Step

### To Apply for this Loan, Complete the Application

An Approval Disclosure will be provided to you by BND after you have completed the application process and your loan has been approved. The Approval Disclosure will identify the loan terms in effect at the time and will be available for 45 days (terms will not change during this period, except as permitted by law).

## REFERENCE NOTES

### Variable Interest Rate

- Your rate is variable. This means that your rate could be lower or higher than the rates on this form. The variable rates are based upon the 3-month London Interbank Offered Rate (LIBOR) by adding a margin of 1.5% or 2.5% dependent upon your state of legal residence.
- For North Dakota residents only, your interest rate will not increase more than 1% annually starting on the date your loan is made. The annual maximum rate is reset each year on the anniversary of the date your loan was made and is based on the rate in effect on the last day of the current 12-month period. Assuming your interest rate is 2.65% on the last day of the current 12-month period, the maximum rate for the following 12-month period is reset at 3.65%.
- As your interest rate increases or decreases, your required monthly payment amount may change.

### Eligibility Criteria

#### Borrower

- Non-North Dakota residents must have an existing DEAL loan in order to consolidate DEAL and non-DEAL alternative education loans.
- Loans must be in a status of grace or repayment (repayment includes loans in deferment and forbearance).

#### Cosigners

- A creditworthy cosigner is required if you do not meet BND's credit criteria.

### Bankruptcy Limitations

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

**More information about interest rates, loan eligibility, repayment, deferment and forbearance options is available in your loan application and promissory note or on our website at [bnd.nd.gov](http://bnd.nd.gov).**