

**ADDICTION COUNSELOR INTERNSHIP LOAN  
VARIABLE RATE LOAN APPLICATION DISCLOSURE**

**Bank of North Dakota**  
PO Box 5509  
Bismarck, ND 58506-5509  
Toll-free: (833) 397-0311

**Loan Interest Rate (Variable) & Fees**

Your **starting interest rate** will be

**6.000%**

After the starting rate is set, your rate will then vary with the market, and will never exceed 6.000% APR.

**Your Starting Interest Rate (upon approval)**

The starting interest rate you pay will be determined when your loan is approved. 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 disclosure. The variable rate is based on Bank of North Dakota's (BND's) current Base Rate. For more information on this rate, see Reference Notes.

Although the rate will vary after you are approved, it will **never exceed 6.000%** (the maximum allowable for this loan).

**Loan Fees**

**Late Fee:** 6.000% of the unpaid portion of the installment or a maximum amount of \$15.00.

**Collection Costs:** If the loan defaults, outstanding interest is capitalized (added to the principal balance) and court costs and legal fees may be assessed.

**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 a 12-month internship.

<b>Repayment Option</b>	<b>Amount Provided</b> (amount provided directly to you)	<b>Interest Rate</b> (highest possible starting rate)	<b>Loan Term</b> (how long you have to pay off the loan)	<b>Total Paid Over 10 Years</b> (includes associated fees)
<b>1. DEFER PAYMENTS</b> Make no payments while participating in your internship. Interest will be charged and added to your loan upon entering repayment.	\$7,500.00	6.000%	10 years starting <u>after</u> the deferment period	<b>\$10,591.20</b>
<b>2. PAY ONLY THE INTEREST</b> Make interest payments but defer payments on the principal amount while participating in internship.	\$7,500.00	6.000%	10 years starting <u>after</u> the deferment period	<b>\$10,438.80</b>
<b>3. MAKE FULL PAYMENTS</b> Pay both the principal and interest amounts while participating in internship.	\$7,500.00	6.000%	10 years starting after your disbursement	<b>\$9,992.40</b>

**About this example**

The repayment example assumes that you remain in your internship for 12 months and begin repayment immediately after the internship period.

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## Next Steps

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### 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 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

- The variable interest rate will be set on the date your application is approved and is based on BND's current Base Rate, which is calculated using the Wall Street Journal Prime Rate, and changes periodically, which may be daily. BND's current Base Rate decreases or increases throughout the life of the loan, but it will never exceed an Annual Percentage Rate (APR) of 6.000%.
- BND's current Base Rate is available on BND's website at [bnd.nd.gov/rates](http://bnd.nd.gov/rates).
- If the interest rate decreases or increases, your monthly payments may be lower or higher.

### Borrower Eligibility Criteria

- You must be at least 16 years of age.
- You must be a U.S. citizen.
- You must not be delinquent or in default on a student loan.
- You must be participating in an internship at an eligible substance abuse treatment facility in North Dakota to obtain a license as an addiction counselor.
- Your credit will be evaluated to determine if the application can be approved. A creditworthy cosigner is required if you do not meet BND's credit criteria.

### Cosigner Eligibility Criteria

- You must be at least 18 years of age.
- You must be a U.S. citizen.
- You must not be delinquent or in default on a student loan.
- Your credit will be evaluated to determine if the application can be approved.

### Loan Repayment Benefits

- You may be eligible to receive a 0.25% interest rate reduction if you request and are approved to have your monthly payment withdrawn electronically from your bank account. This benefit may reduce your repayment term and the total amount of interest paid over the life of the loan. This benefit will be canceled if you request the withdrawal to be canceled or at any time by BND. You must provide an additional request to regain this benefit. BND reserves the right to modify or discontinue this benefit.
- If you have a cosigner, you may be eligible to release your cosigner. To be eligible for cosigner release, you must reside in the U.S., be in repayment on your loan, have made 24 consecutive, regular on-time payments, and meet BND's credit and eligibility criteria at the time you apply to release your cosigner.

### Bankruptcy Limitations

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

**See your promissory note for more information about interest rates, loan eligibility, repayment, deferment and forbearance options, default, consumer reporting notification and loan cancellation. You may also call BND toll-free at 833.397.0311.**