

**DEAL CONSOLIDATION 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

2.800%

After the 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 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 10.000%** (the maximum allowable for this loan).

Loan Fees

Administrative Fee: Up to 3.750% of the total loan amount. BND may pay the fee for North Dakota residents.

Late Charge: 6.000% 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 (amount provided directly to your loan holders)	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)
MAKE FULL PAYMENTS Principal and interest amounts.	\$10,000.00	2.800%	10 years	\$11,907.60
MAKE FULL PAYMENTS Principal and interest amounts.	\$30,000.00	2.800%	25 years	\$43,314.00

About these examples

These repayment examples are based on the **highest starting rate currently charged** and the administrative fee. The total amount you will pay for these loans will vary depending on the term you receive, which varies based on the balance you refinance. Your term will vary based on the amount you refinance. Typically, terms will be either 120, 180, 240 or 300 months. Your initial term will be disclosed to you on your Loan Final Disclosure.

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Federal Loan Alternatives

There are currently no Federal Loan Alternatives that allow the refinance of private education loans. Federal Refinance Loans only allow for the refinance of federal student loans and may not be used to refinance private education loans. The interest rate for the Federal Direct Refinance Loan equals the weighted average interest rate of the loans being refinanced, rounded up to the nearest one-eighth of one percent.

Think carefully before using a refinance loan to pay off your federal student loans. If you refinance your federal student loans through this program, you will lose federal student loan benefits such as income-driven repayment or loan forgiveness options that may be available to federal student loan borrowers. In addition, federal student loans offer deferment and forbearance options that are not available to you if you take out a private refinance loan.

You may qualify for a Federal Direct Refinance Loan. For additional information about a refinance option for federal loans, contact the Department of Education at <https://studentaid.ed.gov>.

Next Step

1. Find Out About Other Loan Options

Visit the Department of Education's website at <https://studentaid.ed.gov> for more information about refinance loan options that may be available for federal student loans.

2. 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

- The loan has a variable interest rate that is based on a publicly available index, the 3-month London Interbank Offered Rate (LIBOR). Your rate will be calculated by adding a margin of 2.500% to the 3-month LIBOR.
- The rate will not increase more than once a quarter and will never exceed 10.00%.
- If the interest rate decreases or increases, your monthly payments may be lower or higher.

Borrower Eligibility Criteria

- Non-North Dakota residents must have an existing DEAL loan 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).
- 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 and your cosigner's credit will be evaluated to determine if the application can be approved.

Cosigner Eligibility Criteria

- Creditworthy cosigner is required if you do not meet BND's credit criteria.
- Cosigner must be a U.S. citizen.
- Cosigner must be at least 18 years of age.
- Cosigner must not be delinquent or in default on a student loan.
- Interest rates are not typically higher without a cosigner.

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 due an NSF payment, 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 be in repayment on your loan, have made 48 consecutive, regular on-time payments, and meet BND's credit criteria at the time you apply to release your cosigner.

Loans Eligible for Refinancing

- Loans must be fully disbursed and in repayment, and cannot be in a delinquent or default status.
- Loans must have been used only for qualified higher education expenses (as defined in 26 UCU Section 221) and incurred by, or for the benefit of, the borrower at an accredited U.S. higher education institution.
- Non-ND residents are not eligible to refinance federally held or federally insured student loans, such as but not limited to FFELP or Direct Loans.

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. This information is also available on our website at bnd.nd.gov.