



**DEAL ONE LOAN & DEAL CONSOLIDATION LOAN
BORROWER APPLICATION AND PROMISSORY NOTE**
BANK OF NORTH DAKOTA
STUDENT LOAN SERVICES
SFN 58603 (06-2015)

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form is subject to criminal penalties.

Before You Begin

This loan application must be completed entirely or your loan request will be delayed. Print using a dark ink ballpoint pen or complete online at dealstudentloan.nd.gov. This Borrower Application and Promissory Note is a legal document. This promissory note must be signed and dated by the applicant. **PAGES 1, 2, AND 3 MUST BE RETURNED TO BND FOR YOUR APPLICATION TO BE PROCESSED.**

PLEASE MAIL COMPLETED APPLICATION TO:

Bank of North Dakota (BND) PO Box 5509, Bismarck, ND 58506-5509 800.472.2166 ext. 328.5763 800.366.6888 (TTY)

Section A. Borrower Information

Last Name		First Name		Middle Initial
Social Security Number	Date of Birth (mm/dd/yyyy)	Are you a U.S. Citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No (You must be a U.S. Citizen to be eligible for this loan.)		
Permanent Street Address (If PO Box, you MUST also list your street address)		City	State	ZIP Code
Home Telephone Number (include area code – if no home number, enter N/A) ()		Cell Telephone Number (include area code – if no cell number, enter N/A) ()		
Driver's License State and Number (if you have no license, enter N/A in State field) State: #:		Email Address (lender may communicate with you using this email address)		
Employer Name (If you are self-employed, provide details here along with any applicable information. If you are not employed, enter N/A.)				
Employer Street Address		City	State	ZIP Code
Employer Telephone Number (include area code) ()		Position		
Are you applying with a cosigner? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Consolidating Lender Name Bank of North Dakota (BND)		Lender Code 816386		

Section B. Reference Information

References: You must provide three separate references that are friends or relatives with **different United States addresses** who have known you for at least three years. **Do not include individuals who live with you (except for a parent)**. All information must be completed in full. If a reference does not have an email address nor does not wish to provide one, enter N/A. References must have at least one telephone number to be used as a reference.

Reference Name			Reference Name			Reference Name		
Street Address			Street Address			Street Address		
City	State	ZIP Code	City	State	ZIP Code	City	State	ZIP Code
Email Address			Email Address			Email Address		
Home Telephone Number (include area code) ()			Home Telephone Number (include area code) ()			Home Telephone Number (include area code) ()		
Cell Telephone Number (include area code) ()			Cell Telephone Number (include area code) ()			Cell Telephone Number (include area code) ()		
Relationship to Borrower			Relationship to Borrower			Relationship to Borrower		

Last Name	First Name	Middle Initial
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Social Security Number

Section D. Cosigner Requirements

A Cosigner Credit Application and Promissory Note must be completed if:

- You do not meet BND's credit criteria.

Section E. Borrower Certification and Authorizations

Under penalty of perjury, I certify that:

A. All loans selected for consolidation were used only for educational purposes.

B. I will notify my lender if any of the following events occur:

- I change my address, email address or any of my telephone numbers,
- I change my name,
- I change employers, or
- I have any other change that would affect my ability to repay this loan.

I make the following authorizations and statements of understanding:

A. I understand the actual payoff amount(s) made by BND may be more or less than the estimated amount(s) I listed on this application. The actual payoff(s), made on my behalf, will include unpaid principal, interest and other costs as reported by my loan holder(s).

B. I understand my loan(s) will not automatically be discharged in bankruptcy.

C. I authorize the lender or their agents to investigate my credit record and to report information concerning this loan to persons and organizations permitted by law to receive this information. The status of this loan will be reported to consumer reporting agencies on a monthly basis until the loan is paid in full.

D. I authorize BND to contact the loan holder(s) identified on this application to determine eligibility and/or payoff amounts for the loans I have selected for consolidation. I further authorize those loan holder(s) to release that information to BND.

E. I authorize BND to send the loan payoffs directly to each loan holder of the loans I have listed on the prior page.

F. If the amount BND pays to my loan holder(s) exceeds the amounts needed to pay off the balances of the selected loans, I understand the loan holder(s) may refund the excess to BND to be applied towards this loan. If the amounts BND pays to my loan holder(s) are less than the amounts needed to pay off the balances of the loans selected for consolidation, I am responsible to pay the remaining balances.

G. I understand it is my responsibility to pay interest on the unpaid principal amount of the loan from the date BND disburses funds until the loan is paid in full. I am responsible to repay the entire principal amount, all accrued interest, late charges and collection costs.

H. I authorize the release of information related to this loan by and amongst my schools, BND, SLND (the guarantor), subsequent loan holder(s) and their agents, and members of my immediate family unless I submit written directions otherwise.

I. I authorize my lender, SLND, or their agents to: (i) make inquiries of my cosigner; (ii) make inquiries of my employer; (iii) release information and make inquiries to the persons I have listed on my loan application as references, for the purpose of learning my current address and telephone number; (iv) release information to my immediate family members unless I submit written directions otherwise.

J. If necessary to service my account or collect amounts I owe, I authorize my lender or their agents to contact me at any number I provide or at any number they reasonably believe I can be reached. I authorize them to contact me by calling, texting or by email. I may be contacted by an automated dialer or through the use of prerecorded messages. I may be contacted on a mobile, wireless or similar device, even if I am charged for it. I also understand that calls may be monitored or recorded.

I understand I have the right to NOT be contacted by email, by text or by an automated/prerecorded message if I notify my lender in writing that I prefer no contact using any one or all of those methods.

Review your Borrower Application and Promissory Note to ensure you have completed all sections.

Section F. Promissory Note (To be completed and signed by the borrower)

(In this Promissory Note, "lender" refers to, and this Promissory Note benefits, BND and its successors and assigns, including any subsequent loan holder of this Promissory Note.)

Promise to Pay:
I promise to pay to the lender all sums disbursed (hereinafter "loan") under the terms of this Promissory Note (hereinafter "Note") to pay off my prior loan obligations, plus interest and other charges and fees that may be due as provided in this Note. Unless I make interest payments, interest that accrues on my loan during my in-school, forbearance and deferment periods may be added to the principal balance of my loan. If I do not make any payment on this loan when it is due, I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs and other fees. I certify that all loans selected for consolidation were used only for educational purposes.

I will not sign this Note before reading the entire Note, even if I am told not to read it. I am entitled to an exact copy of this entire Note. My signature certifies I have read, understand and agree to all of the terms and conditions of this Note. Under penalty of perjury, I certify the information provided on this Borrower Application and Promissory Note is true, complete and accurate to the best of my knowledge.

➔ Review the Fixed and Variable Rate Loan Application Disclosures included with this note before selecting your interest rate type.

I have reviewed the Fixed and Variable Rate Loan Application Disclosures and choose:

- Fixed Interest Rate** (rate remains the same for the life of the loan)
- Variable Interest Rate** (rate will change throughout the life of the loan which could impact your monthly payment amount)

A Loan Approval Disclosure will be provided to you by BND after the loan has been approved and will identify the terms related to your loan.

I UNDERSTAND THIS IS A LOAN THAT I MUST REPAY. YOU MUST SIGN AND DATE THIS PROMISSORY NOTE.

Borrower Signature	Date (mm/dd/yyyy)
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**DEAL ONE LOAN & DEAL CONSOLIDATION LOAN
BORROWER APPLICATION AND PROMISSORY NOTE (continued)**

Eligible Borrowers. You must be a U.S. citizen. All North Dakota (ND) residents are eligible for a DEAL One Loan. If you are not a ND resident, you must have an existing DEAL loan to qualify for a DEAL Consolidation loan.

Eligible Loans. All eligible borrowers may consolidate any alternative loan that was used for educational purposes. ND residents may also include eligible federal loans. All loans must be in grace or repayment status and cannot be in default.

A DEAL One Loan and DEAL Consolidation Loan may be reconsolidated if you have additional eligible educational loans to consolidate.

Fixed and Variable Interest Rate Types. I must choose between a fixed or variable interest rate.

If I choose a fixed rate, the interest rate will be set on the day BND approves my loan and remains the same until my loan is paid in full.

If I choose a variable rate, all of the loans being consolidated (fixed or variable) will use the variable rate in effect on the date my application is approved. The interest rate will change as interest rates decrease or increase throughout the life of the loan which could impact your monthly payment amount.

Administrative Fee and Interest Rates. When my application is approved, I will receive a Loan Approval Disclosure which will list my interest rate along with any administrative fees I may be charged. If I am charged an administrative fee, it will be added to the balance of my loan. Current interest rates and fees can be found at dealstudentloan.nd.gov or by calling 800.472.2166 ext. 328.5763.

Credit Bureau Notification. Information concerning the amount, disbursement and repayment of my loan will be reported monthly to national consumer reporting agencies. My lender must provide a timely response to a request from any credit organization regarding objections I might raise with that organization about the accuracy and completeness of information.

Repayment. My loan will enter repayment immediately after disbursement. I will receive a repayment schedule listing my monthly payment amount and due date. The repayment term will be based on my loan balance. Repayment Terms:

10 Years – up to \$10,000.00
15 Years – \$10,000.01 - \$20,000.00
20 Years – \$20,000.01 - \$30,000.00
25 Years – \$30,000.01 and over

Payments. Payments will be applied to interest, costs or fees first and then to my principal balance.

I may prepay any part of the unpaid balance on my loan at any time without penalty.

Postponing or Reducing Payments. Under certain circumstances, I may be able to postpone or reduce the payments on my loan if I request and provide evidence that verifies my eligibility.

My lender is not required to postpone or reduce my monthly payment. If my lender agrees to postpone my monthly payment(s), interest on my loan will continue to accrue. Although I am not required to make payments during these periods, it is to my advantage and I am encouraged to make payments during this time. By making payments, or by paying some of the interest, it will reduce the total amount I will pay over the life of the loan. Interest not paid will be added to my principal balance through capitalization when my loan enters repayment.

Fees. If I fail to make any part of an installment payment within 15 days after the due date, my lender may assess a late fee not to exceed 6% of each late installment or a maximum amount of \$15. There may be a charge on non-sufficient funds (NSF) payments as allowed under the North Dakota Century Code.

Loan Cancellation. I understand my loan debt may be cancelled if I die or if I become permanently and totally disabled. My request for cancellation based on a permanent and total disability may not be approved if the condition existed before I applied for this loan. My lender will determine what documentation must be provided to apply for loan cancellation.

Sale or Transfer. I consent to the sale or transfer of my loan. If ownership of my loan is transferred, I will be notified of the contact information for the new loan holder of my loan, if the address where I make my payments changes. A sale or transfer will not affect my rights and responsibilities.

Acceleration and Default. At the option of the lender, the entire unpaid balance will become due and payable when I make a false statement that results in my receiving a loan for which I am not eligible or I default on the loan. Default occurs when any of the following events occur: I fail to pay the entire balance after the lender has demanded payment in full; or I fail to make monthly payments when due and my failure persists for at least 270 days; or I fail to comply with other terms of the loan and the lender reasonably concludes I no longer intend to honor my repayment obligation.

If I default, the guarantor may purchase my loan and capitalize all outstanding interest into a new principal balance. At the time of default, fees may be assessed up to the maximum amount allowed under the North Dakota Century Code. The new principal balance and collection fees will become immediately due and payable.

My default will be reported to national consumer reporting agencies and will significantly and adversely affect my credit history. Defaulting shall have additional adverse consequences and may result in any or all of the following: loss of state income tax refunds, loss of state lottery prizes, legal

action, assessment of collection charges, loss of professional license and loss of eligibility for deferments and forbearances.

Governing Law and Notices. The terms of this Note will be interpreted in accordance with 15-62.1-02 of the North Dakota Century Code. If I reside in North Dakota, the guarantor may sue to enforce this loan in any judicial district as allowed by law. Any notice required to be given to me will be effective if mailed by first class mail to the latest address I have provided to the loan holder of this Note, or if the lender reasonably determines that this address is no longer my address, to the latest address secured by the lender or other reliable source. Failure by the lender to enforce or insist on compliance with any term on this Note shall not be a waiver of any right of the lender. No provision of this Note may be modified or waived, except in writing. If any provision of this Note is determined to be unenforceable, the remaining provisions shall remain in force.

Important Information about Procedures for Opening a New Account. To help the federal government fight the funding of terrorism and money laundering activities, Section 326 of the USA PATRIOT Act¹ requires all financial institutions to obtain, verify and record information that identifies each person who opens an account (checking, savings, certificates of deposit, loans, safekeeping services, trust services, etc.). What this means for you:

- When you open an account or request certain services, we will ask for your name, address, date of birth, identification number such as your Social Security Number or Tax Identification Number, and other information that will allow us to identify you.
- We may also ask to see your driver's license or other identifying documents.

The principal purpose and routine uses of this information are to verify your identity, provide for the servicing of your account or loan, including communications with consumer reporting agencies, and in the event it is necessary, to locate you and collect on your loan(s). Providing any requested information is mandatory in order to open the account or receive the requested service. We will not be able to open your account or grant the service if the requested information is not provided.

In all cases, protection of our customers' identity and confidentiality is the Bank's pledge to you.

¹ This notice also satisfies our obligations under the Privacy Act of 1974.

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

Loan Interest Rate (Fixed) & Fees

Your **starting interest rate** will be between

5.08% and **6.08%**

For loans approved 07/01/2015 – 09/30/2015

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 fixed. This means that your rate will be set on the day the loan is approved and remains the same until the loan is paid in full. The fixed rate is based upon the Federal Home Loan Bank (FHLB) 10 Year Advanced Rate. For more information on this rate, see Reference Notes.

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 each late payment not to exceed \$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)
MAKE FULL PAYMENTS Principal and interest payments.	\$10,000	6.08%	10 years	\$13,891.20

About this example

The repayment example is based on the **highest starting rate currently charged** and an administrative fee of 3.75% added to the consolidation balance.

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

Fixed Interest Rate

- The interest rate for a fixed interest rate loan will be set on the day the loan is approved and remains the same until the loan is paid in full. The current interest rates are calculated using the Federal Home Loan Bank (FHLB) 10 Year Advanced Rate by adding a margin of 2% or 3% dependent upon your state of legal residence.

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: dealstudentloan.nd.gov.

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

1.79%

and

2.79%

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 each late payment not to exceed \$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)
MAKE FULL PAYMENTS Principal and interest payments.	\$10,000	2.79%	10 years	\$11,918.40

About this example

The repayment example is based on the **highest starting rate currently charged** and an administrative fee of 3.75% added to the consolidation balance.

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: dealstudentloan.nd.gov.

FACTS

WHAT DOES Bank of North Dakota DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- account balances and transaction history
- account transactions and credit history

When you are no longer our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Bank of North Dakota chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does the Bank of North Dakota share?	Can you limit this sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	Yes	No
For our marketing purposes - to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes - information about your transactions and experiences.	No	We don't share
For our affiliates' everyday business purposes - information about your creditworthiness.	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Call 1-800-472-2166 or go to www.banknd.nd.gov

Who we are

Who is providing this notice?

Bank of North Dakota (BND)
Student Loans of North Dakota (SLND), as administered by the BND

What we do

How does Bank of North Dakota protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does Bank of North Dakota collect my personal information?

We collect your personal information, for example, when you

- open an account or apply for a loan
- make a wire transfer or show your government issued ID
- make deposits or withdrawals from your account.

We also collect your personal information from credit bureaus.

Why can't I limit all sharing?

Federal law gives you the right to limit only:

- sharing for affiliates' everyday business purposes - information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State law and individual companies may give you additional rights to limit sharing.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Bank of North Dakota has no affiliates.*

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *Bank of North Dakota does not share with nonaffiliates so they can market to you.*

Joint Marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Bank of North Dakota does not jointly market.*

Other important information



AUTHORIZATION FOR RELEASE OF STUDENT LOAN INFORMATION

BANK OF NORTH DAKOTA
STUDENT LOAN SERVICES
SFN 60501 (04-2014)

A borrower must authorize the release of student loan information when requesting loans from another student loan lender to be included in Bank of North Dakota's (BND) Consolidation Loan Program.

This form must be completed and will be sent to any Holder or Servicer you identify in your loan application in order to gather the necessary data to confirm eligibility and receive pay-off amounts.

Section 326 of the USA PATRIOT Act¹ requires us to ask for your Social Security Number. The principal purpose and routine uses of this information are to verify your identity, provide for the servicing of your account or loan, including communications with consumer reporting agencies, and in the event it is necessary, to locate you and collect on your loan(s). Providing any requested information is mandatory in order to receive the requested service. We may not be able to grant the service if the requested information is not provided.

¹ This notice also satisfies our obligations under the Privacy Act of 1974.

Borrower Name (please print)		Social Security Number
Address		
City	State	ZIP Code

I authorize BND Student Loan Services to contact my Holder(s) or Servicer(s) of the loan(s) I have chosen to include in my Consolidation Loan Application.

I authorize the Holder or Servicer of my student loan(s) to release information to BND to determine if my loan(s) are eligible for consolidation under North Dakota's state-sponsored DEAL Consolidation Loan Program.

In addition, I request the Holder or Servicer of my loan(s) provide the payoff amounts for any Alternative Educational and/or Federal Student Loan(s) they hold, along with any other loan information requested by BND within 14 days of receipt.

Borrower Signature	Date (mm/dd/yyyy)
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Borrower must return form to:

Bank of North Dakota
Student Loan Services
Attn: New Loans
PO Box 5509
Bismarck, ND 58506-5509