

# IMPORTANT INFORMATION

## Should I refinance my federal student loan(s) into a DEAL One Loan?

If you are a North Dakota resident with student loans in a grace or repayment status and you meet the necessary credit standards, you may qualify to refinance your existing federal student loan(s). However, it is important for you to understand this option is **not** a good idea for everyone.

**By refinancing your federal student loan(s) into a DEAL One Loan, you are converting them from a federal student loan(s) to a DEAL One Loan and you need to consider the risk of losing benefits associated with federal student loans!**

**Below are some of the benefits you risk losing if you refinance your federal student loan(s) into a DEAL One Loan. They are benefits with a high impact and those most frequently used. This list is not meant to include all benefits. There may be additional benefits specific to you or your situation which you are responsible to fully investigate. You must initial next to each item.**

- \_\_\_\_\_ Federal student loans offer a number of income-driven repayment plans that link your monthly payment amount to your income: Income-Contingent Repayment (ICR), Income-Based Repayment (IBR), Pay As You Earn Repayment (PAYE) and Revised Pay As You Earn Repayment (REPAYE). Your monthly payment amount under an income-driven repayment plan is based on a percentage of your discretionary income, determined by household income and family size. You may qualify for a payment as low as 10 percent of your discretionary income and forgiveness after 20 years. If you are making payments under an income-driven repayment plan and are seeking forgiveness under the Public Service Loan Forgiveness (PSLF) Program, you may qualify for forgiveness after 10 years of qualifying payments.
- \_\_\_\_\_ Borrowers working in certain professions including teachers, nurses, attorneys or those employed in public service may be eligible for loan forgiveness on some federal student loans. If you refinance a federal student loan(s) into a DEAL One Loan, you will no longer be eligible to participate in these federal student loan forgiveness programs.
- \_\_\_\_\_ Certain federal student loans qualify for an interest subsidy. This means you may not be charged interest on the loan while you are in school or on a deferment. You will lose this benefit.
- \_\_\_\_\_ Active-duty service members will lose benefits, including loan repayment.
- \_\_\_\_\_ Once a federal student loan(s) is consolidated into a DEAL One Loan, the process may not be undone in order to re-establish the original federal student loan benefits.
- \_\_\_\_\_ Borrower benefits or low interest rates linked to existing federal student loans may be forfeited and could result in you paying more over the life of your student loan(s).
- \_\_\_\_\_ Congress, the Department of Education, or other agencies could introduce benefits for federal student loans in the future. These benefits may not be available to you if you refinance your federal student loan(s) into a DEAL One Loan.

**I have carefully considered the risk of losing the benefits associated with refinancing my federal student loan(s) into a DEAL One Loan. I fully understand I may be giving up certain benefits now and in the future. It is with that knowledge and understanding I am asking Bank of North Dakota (BND) to accept and process my DEAL One Loan request to pay off my existing federal student loan(s) and create a new DEAL One Loan. This form must be signed, dated and returned to BND if you want to include any federal student loan(s) in your DEAL One Loan.**

Borrower Name (please print)	
Borrower Signature	Date (mm/dd/yyyy)