

**DEAL ONE LOAN  
FIXED RATE LOAN APPLICATION DISCLOSURE**

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

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

Your interest rate will be

**6.580%**

**Your Interest Rate (upon approval)**

The interest rate you pay will be determined after you apply. If approved, we will notify you of your 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 not change throughout the life of the loan. The fixed rate is based on the Federal Home Loan Bank (FHLB) 10-Year Advanced Rate, as posted by Federal Home Loan Bank - Des Moines. For more information on this rate, see Reference Notes.

The rate will be fixed for the life of the loan.

**Loan Fees**

**Administrative Fee:** 2.750% of the total loan amount. BND will pay the fee for North Dakota residents.

**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**

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)
<b>MAKE FULL PAYMENTS</b> Principal and interest payments.	\$10,000.00	6.580%	10 years	<b>\$13,711.20</b>
<b>MAKE FULL PAYMENTS</b> Principal and interest payments.	\$30,000.00	6.580%	25 years	<b>\$61,386.00</b>

**About these examples**

The repayment examples are based on the **highest starting rate currently charged** and the administrative fee. The total amount you will pay for this loan will vary depending on the term you receive, which varies based on the balance you refinance. These examples assume a 15-day servicing onboarding period, which is the time between when the loan was originally estimated to disburse and when billing begins. Typically, the term will either be 120, 180, 240, or 300 months. Your term will be disclosed to you on your Loan Approval Disclosure.

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## **Federal Loan Alternatives**

There are currently no Federal Loan Alternatives that allow the refinance of private education loans. Federal Direct Consolidation 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 Consolidation 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 Consolidation Loan. For additional information about a refinance option for federal loans, contact the Department of Education at <https://studentaid.gov>.

## **Next Step**

### **1. Find Out About Other Loan Options**

Visit the Department of Education's website at <https://studentaid.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 30 days (terms will not change during this period, except as permitted by law).

## **REFERENCE NOTES**

### **Fixed Interest Rate**

- The interest rate will be set when the loan is approved and will not change throughout the life of the loan.

### **Borrower Eligibility Criteria**

- You must be a North Dakota resident to consolidate DEAL, eligible non-DEAL alternative education loans and federal student 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.
- 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 48 consecutive, regular on-time payments, and meet BND's credit and eligibility criteria at the time you apply to release your cosigner.

### **Loans Eligible for Refinancing**

- Loans must be fully disbursed and in grace or repayment, and cannot be in a delinquent or default status. Repayment includes loans in deferment or forbearance.
- Loans must have been used only for qualified higher education expenses (as defined in 26 USC Section 221) and incurred by, or for the benefit of, the borrower at an accredited U.S. higher education institution.

### **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](http://bnd.nd.gov).**

**DEAL ONE 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

**6.840%**

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 determined after you apply. 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 disclosure. The variable rate is based on the three-month CME Term Secured Overnight Financing Rate (Term SOFR) Index as posted by CME Group, plus a margin. 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:** 2.750% of the total loan amount. BND will pay the fee for North Dakota residents.

**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**

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)
<b>MAKE FULL PAYMENTS</b> Principal and interest amounts.	\$10,000.00	6.840%	10 years	<b>\$13,873.20</b>
<b>MAKE FULL PAYMENTS</b> Principal and interest amounts.	\$30,000.00	6.840%	25 years	<b>\$62,871.00</b>

**About these examples**

The repayment examples are based on the **highest starting rate currently charged** and the administrative fee. The total amount you will pay for this loan will vary depending on the term you receive, which varies based on the balance you refinance. These examples assume a 15-day servicing onboarding period, which is the time between when the loan was originally estimated to disburse and when billing begins. Typically, the term will either be 120, 180, 240, or 300 months. Your term will be disclosed to you on your Loan Approval Disclosure.

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## **Federal Loan Alternatives**

There are currently no Federal Loan Alternatives that allow the refinance of private education loans. Federal Direct Consolidation 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 Consolidation 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 Consolidation Loan. For additional information about a refinance option for federal loans, contact the Department of Education at <https://studentaid.gov>.

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Visit the Department of Education's website at <https://studentaid.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 30 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 three-month CME Term Secured Overnight Financing Rate (Term SOFR) Index, plus a margin of 1.500%.
- The variable interest rate changes every three months and is set on the 15th, or preceding business day, in the months of March, June, September and December, and is effective on the 1st of the following month.
- Your interest rate will not increase more than 1.000% 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.
- The rate will not increase more than once a quarter and will never exceed 10.000%.
- If the interest rate decreases or increases, your monthly payments may be lower or higher.
- This loan may be subject to a replacement index and replacement margin, if, in BND's sole discretion, the Term SOFR Index has become unavailable or unreliable, either temporarily, indefinitely, or permanently, during the term of this loan.

### **Borrower Eligibility Criteria**

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- 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.
- 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.
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- 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 48 consecutive, regular on-time payments, and meet BND's credit and eligibility criteria at the time you apply to release your cosigner.

### **Loans Eligible for Refinancing**

- Loans must be fully disbursed and in grace or repayment, and cannot be in a delinquent or default status. Repayment includes loans in deferment or forbearance.
- Loans must have been used only for qualified higher education expenses (as defined in 26 USC Section 221) and incurred by, or for the benefit of, the borrower at an accredited U.S. higher education institution.

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### **Notice for students attending an institute of higher education in Virginia**

Private education loans are one tool that students use to finance their education. Your lender and your institution's Financial Aid Office provide assistance with eligibility for the loans. For borrowers who have existing private education loans, Virginia has a Student Loan Advocate to assist borrowers who are struggling with repayment. You can contact the Student Loan Advocate at: State Council of Higher Education for Virginia, James Monroe Building, 10th Floor, 101 N. 14th Street, Richmond, VA 23219; studentloan@schev.edu; 804-786-2832. In addition, resources for prospective and current private education loan borrowers are available online at <https://schev.edu/privateloan>.