Loan Interest Rate & Fees

Your starting interest rate will be between 6.74% and 9.74%.

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 after you apply. It will be based upon your credit history and other factors (cosigner credit, school type, etc). If approved, we will notify you of the rate you qualify for within the stated range.

Your Interest Rate during the life of the loan
Your Interest 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 Wall Street Journal Prime Rate, (WSJ Prime Rate). For more information on this rate, see the reference notes.

Although the rate will vary after you are approved, it will never exceed 18.00% (the maximum allowable for this loan).

Loan Fees
Late Charge: $10.00, if payment is past due more than 10 days
Returned Check Charge: $30.00

Loan Costs Examples
The total you will pay for this loan will vary depending upon when you start to repay it. These examples provide estimates based upon three (3) different repayment options available to you while enrolled in school.

<table>
<thead>
<tr>
<th>Repayment Option</th>
<th>Amount Provided</th>
<th>Interest Rate</th>
<th>Loan Term</th>
<th>Total Paid over loan term</th>
</tr>
</thead>
<tbody>
<tr>
<td>(while enrolled in school)</td>
<td>(amount provided directly to you or your school)</td>
<td>(highest possible starting rate)</td>
<td>(how long you have to pay off the loan)</td>
<td>(includes associated fees)</td>
</tr>
<tr>
<td>1. MAKE FULL PAYMENTS</td>
<td>$10,000.00</td>
<td>9.74%</td>
<td>120 months</td>
<td>$15,685.44</td>
</tr>
<tr>
<td>Loan Term: starting when your loan is first disbursed</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. DEFER PAYMENTS</td>
<td>$10,000.00</td>
<td>9.74%</td>
<td>120 months</td>
<td>$22,662.59</td>
</tr>
<tr>
<td>Make no payments while enrolled in school. Interest will be charged and added to your loan.</td>
<td>Loan Term: starting after the deferment period</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. PAY ONLY THE INTEREST</td>
<td>$10,000.00</td>
<td>9.74%</td>
<td>120 months</td>
<td>$20,068.62</td>
</tr>
<tr>
<td>Make interest payments but defer payments on the principal amount while enrolled in school.</td>
<td>Loan Term: starting after the deferment period</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

About this example
The repayment example assumes that you remain in school for 4 years and have a 6 month grace period before beginning repayment. It is based on the highest starting rate currently charged and associated fees.
Federal Loan Alternatives

<table>
<thead>
<tr>
<th>Loan Program</th>
<th>Current Interest Rates by Program Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>STAFFORD</td>
<td>5.05% fixed Undergraduate subsidized &amp; unsubsidized</td>
</tr>
<tr>
<td>for Students</td>
<td>6.60% fixed Graduate unsubsidized</td>
</tr>
<tr>
<td>PLUS</td>
<td>7.60% fixed Federal Direct Loan</td>
</tr>
<tr>
<td>for Parents and Graduate/Professional Students</td>
<td></td>
</tr>
</tbody>
</table>

You may qualify for Federal education loans.

For additional information, contact your school’s financial aid office or the Department of Education at:

www.studentaid.gov

Next Steps

1. **Find Out About Other Loan Options.**
Some schools have school-specific loan benefits and terms not detailed on this form. Contact your school’s financial aid office or visit the Department of Education’s web site at: www.studentaid.gov for more information about other loans.

2. **To Apply for this Loan, Complete the Application and the Self-Certification Form.**
If you are approved for this loan, the loan terms 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**
This loan has a variable interest rate that is based on a publicly available index, the Prime Rate. Your rate will be calculated each quarter by adding a margin between 1.24% and 4.24% to the Prime Rate.

The rate will not increase more than once each quarter, but there is no limit on the amount that the rate could increase at one time. Your rate will never exceed 18.00% or be lower than 4.25%.

**Eligibility Criteria**

**Borrower**
Must be enrolled at an eligible school at least half-time.
In order to obtain this loan, you must become a member of University Credit Union.
Student Borrower must be age of majority in state of residence at the time you apply.

**Cosigner**
Cosigner must be age of majority in state of residence at the time you apply.
Rates may be, but are not necessarily, higher without a cosigner.

**Bankruptcy Limitations:**
If you file for bankruptcy, you may still be required to pay back this loan.

More information about loan eligibility and repayment deferral or forbearance options is available in your loan application and promissory note.