

Minnesota Office of Higher Education  
 PO Box 64449  
 St. Paul, MN 55164  
 651.642.0567  
 800.657.3866

## Variable Loan Interest Rate & Fees

The **starting interest rate** through  
 March 31, 2012 is

4.00%

The current interest rate is available  
 at [www.selfloan.org](http://www.selfloan.org). 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 is not dependent on your credit score or other factors. All SELF V variable rate loans are charged the same interest rate.

### 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 rate on this form. There is a limitation that the interest rate cannot increase or decrease more than 3% over any four consecutive calendar quarters. The variable rate is based upon the LIBOR Rate (as published in the Wall Street Journal). For more information on this rate, see the reference notes.

There is no maximum interest rate; however, there is a limitation that the interest rate cannot increase or decrease more than 3% over any four consecutive calendar quarters.

## Loan Fees

**Late Charge:** Up to \$20 for payments not made within 15 days of the due date.

**Returned Payment charge:** up to \$15.00

## Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it, the aggregate balance of your loans and your repayment period. This example provides estimates based upon the option available to you while enrolled in school.

Repayment Option (while enrolled in school)	Amount Provided (amount provided directly to your school)	Interest Rate	Loan Term (how long you have to pay off the loan)	Total Paid over 10 years (includes associated fees)
<b>PAY ONLY THE INTEREST</b> Make interest payments but defer payments on the principal amount while enrolled in school.	\$10,000.00	4.0%	10 years starting <u>after</u> the enrollment period	\$13,930.24

### About this example

This example assumes that you are in school for 4 years and have a 1 year grace period before beginning repayment and you have up to 10 years from when you leave school to repay the loan. You may have an option to select up to two more years of interest only payments without extending your payment term. If balances on all your SELF loans are \$20,000 up to \$40,000 you may have up to 15 years after you leave school to repay the loans. If balances on all your SELF loans are \$40,000 or greater, you may have up to 20 years after you leave school to repay the loans. These options may cause the interest you pay to be different than the example shown.

## Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type
<b>PERKINS</b> for Students	5.00% fixed
<b>DIRECT STAFFORD</b> for Students	3.40% fixed Undergraduate subsidized
	6.80% fixed Undergraduate unsubsidized & Graduate
<b>DIRECT PLUS</b> for Parents and Graduate/ Professional Students	7.90% fixed

**You may qualify for Federal education loans.** For additional information, contact your school's financial aid office or the Department of Education at:

[www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov)

## Next Steps

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

Some schools have school-specific student loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's website at [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.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

- Your loan has a variable Interest Rate that is based on a publicly available index, the LIBOR Rate. Your rate is calculated each quarter by adding a Margin to the Index. The Margin is determined by the Minnesota Office of Higher Education each quarter and may increase or decrease.
- If the LIBOR Rate and/or the Margin increases or decreases the Interest Rate you pay may increase or decrease from the current rate.
- There is a limitation that the interest rate cannot increase or decrease more than 3% over any four consecutive calendar quarters.

### Bankruptcy Limitations

If you file for bankruptcy you may still be required to pay back this loan.

### Prepayments

There is no penalty for early repayment of the loan.

### Eligibility Criteria

#### Borrower

- Enrolled at an eligible school at least half-time
- A Minnesota resident if attending a non-Minnesota school
- Making satisfactory progress
- Not in default of any student loan or delinquent on any existing SELF loan

#### Co-signer

- U.S. citizen or permanent resident
- At least 24 years old or 18 years old if a sibling of the borrower
- Credit worthy

### Repayment Options

You may select to have up to two additional years of interest only payments if you have not entered a required repayment period.

**Refer to the SELF Loan Promissory Note Terms for additional terms and conditions.**