

Minnesota Office of Higher Education
 1450 Energy Park Drive, Suite 350
 St Paul, MN 55108
 651.642.0567
 800.657.3866

Loan Interest Rate & Fees - Variable

The **starting interest rate** for the current quarter is:

7.65%

The current interest rate is available at www.selfloan.state.mn.us. Your interest rate may change quarterly and will vary with market conditions.

Your Starting Interest Rate (upon approval)

The starting interest rate you pay is not dependent on your credit score or other factors.

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 more than 3% over any four consecutive calendar quarters. The variable rate is based upon the Secured Overnight Financing Rate (SOFR).

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

See the Reference Notes for more information on the variable interest rate.

Loan Fees

Late Charge: Up to \$20.00 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 a participating SELF school at least half-time.

Repayment Option (while enrolled in a participating SELF school at least half-time.)	Amount Provided (amount provided directly to your school)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the principal amount of your loan)	Total Paid over 180 months (48 months In-school, 12 months Transition and 120 months Repayment) (includes associated fees)
PAY MINIMUM PAYMENT Make minimum monthly payments of \$15.00 while enrolled during the In-School Period and during the Transition Period.	\$10,000.00	7.65%	120 months starting <u>after</u> the 12-month Transition Period ends	\$19,257.78

About this example

This example is based on required minimum monthly payments of \$15.00 during the In-School Period and during a 12-month Transition Period after the In-School Period ends. The 120-month Repayment Period begins after the 12-month Transition Period ends. This example assumes you are in school for 48 months, have a 12-month Transition Period before beginning the Repayment Period and you have up to 120 months to repay the loan. You may have an option to select up to 24 months of interest-only payments. If balances on all your SELF Loans are \$20,000 up to \$40,000, you may have up to 180 months after your Transition Period to repay the loans. If balances on all your SELF Loans are \$40,000 or greater, you may have up to 240 months after your Transition Period to repay the loans. These options may cause the interest you pay to be different than the example shown. The example assumes the minimum payment remains at \$15.00 during the time you are in the In-School Period and the Transition Period and you only pay the minimum payment of \$15.00 per month during those time periods. The example assumes any accrued interest that remains unpaid after the Transition Period ends is capitalized.

Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type
Direct STAFFORD for Students	5.50% fixed Undergraduate Subsidized and Unsubsidized
	7.05% fixed Graduate and Professional Unsubsidized
DIRECT PLUS for Parents of undergraduates and Graduate / Professional Students	8.05% fixed

You may qualify for Federal education loans.

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

<https://studentaid.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 <https://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

- Your loan has a variable Interest Rate that is based on a publicly available index, the three-month term Secured Overnight Financing Rate (SOFR) or a substantially similar index. Your rate is calculated each quarter by adding the Margin to the Index. The Margin is determined by the Minnesota Office of Higher Education each quarter and may increase or decrease.
- If the SOFR 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 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 or SELF Refi Loan

Cosigner

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

Minimum Payments

Your minimum monthly payment during the In-School and Transition Period may change at any time. The maximum monthly payment is \$25.00 per loan.

Repayment Options

Your actual Repayment Period will be determined based on the aggregate loan amounts of your SELF Loans based on the criteria below:

- Aggregate loan amounts of less than \$20,000 have a maximum Repayment Period of 120 months after the Transition Period ends.
- Aggregate loan amounts of \$20,000 up to \$40,000 have a maximum Repayment Period of 180 months after the Transition Period ends.
- Aggregate loan amounts of \$40,000 or more have a maximum Repayment Period of 240 months after the Transition Period ends.

Loans are required to enter principal repayment no later than nine years after the first disbursement. You may select to have up to 24 months of interest only payments if you have not entered a required Repayment Period. If you select the Extension Period immediately after your Transition Period you will be required to pay monthly accrued interest and your Repayment Period will start at the end of the Extension Period. At the time you enter the Repayment Period, the payment amount of this loan may change if you currently or previously had other SELF Loans outstanding. During the Repayment Period, the minimum total monthly payment on your SELF Loan accounts will be at least \$50. The minimum monthly payment will be larger if necessary to repay the loans within the Repayment Period.

Capitalization may occur at various times during the life of the loan including but not limited to: if I am delinquent while in the In-School Period and when my Transition Period ends.

Your actual Finance Charge may be greater or less than the amount listed on this disclosure depending upon when your loan enters the Repayment Period, the aggregate loan amounts, the required minimum monthly payment, payments you make, interest rate changes in your variable rate loans, and other factors.

Examples are available on the SELF Loan website of how returning to the In-School Period impacts Transition and Extension Periods.

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

Students Attending an Institution of Higher Education in the Commonwealth of 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 schev.edu/privateloan.