

Application & Solicitation Disclosure for Variable Rate Undergraduate Loan

Loan Interest Rate & Fees

Your **starting interest** rate will be between
 6.740% and 17.365%
 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. The lowest variable rate is available for only the most creditworthy applicants, and assumes you select the interest-only repayment option and make interest-only payments during the in-school and grace periods, which includes an interest rate discount of 0.35%. Your rate will be equal to the 3-Month CME Term SOFR rate or 0%, whichever is higher, plus a Margin. The value of the 3-Month CME Term SOFR rate varies with the market each quarter. The Margin is a fixed value that is set at the time of your application, based on your credit history, which repayment option you choose and other factors including your cosigner's credit history (if applicable). If approved, we will notify you of the rate you qualify for within the stated range, unless the index increases the rate above or decreases the rate below the stated range.

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 form. The variable rate is based upon 3-Month CME Term SOFR, which is administered by CME Group. Also, if you elect to make interest-only payments while in school and during the grace period, and you stop making the required payments, your interest rate will go up. For more information on this rate, see the reference notes.

Although the interest rate will vary after you are approved, the interest rate will **never exceed** 18.000% (the maximum allowable for this loan).

Loan Fees and Charges

Application Fee: Zero **Late Charge:** Zero
Origination Fee: Zero **Returned Check Charge:** Zero
Repayment Fee: Zero

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon four (4) different repayment options available to you while enrolled in school.

| Repayment Option (While enrolled in school) | Amount Provided (Directly to your school or you) | Interest Rate (Highest possible starting rate) | Loan Term (How long you have to pay off the loan) | Total Paid over 15 years (Includes associated fees) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------|------------------------------------------------------|--------------------------------------------------------|
| 1. DEFER PAYMENTS Make no payments during the deferment period (automatic in-school deferment). Interest will be charged and added to your loan. | \$10,000 | 17.365% | 15 years starting <u>after</u> the deferment period | \$48,947.05 |
| 2. PAY ONLY THE INTEREST Select the interest-only in-school payment option during the application process and make interest payments but defer payments on the principal amount during the deferment period. | \$10,000 | 17.365% | 15 years starting <u>after</u> the deferment period | \$35,550.71 |
| 3. MAKE FIXED IN-SCHOOL PAYMENTS Select the in-school payment option during the application process and make fixed payments of \$25 each month during the deferment period. Unpaid interest will be added to your loan. | \$10,000 | 17.365% | 15 years starting <u>after</u> the deferment period | \$46,673.68 |
| 4. MAKE FULL PAYMENTS Pay both the principal and interest amounts (required while enrolled in school less than half-time) | \$10,000 | 17.365% | 15 years starting <u>after</u> your first payment | \$28,158.79 |

About this example

Repayment examples 1-3 assume that you remain in school for 4 years and have a 6-month grace period (together, the deferment period) before the loan term begins. Repayment example 4 assumes full payments begin immediately. All examples are based on **the highest rate currently charged** and associated fees. You always have the option to make payments ahead of schedule without penalty. By making payments ahead of schedule, you can reduce the total cost of your loan.

Federal Loan Alternatives

| Loan Program | Current Interest Rates by Program Type (for loans with a first disbursement between July 1, 2023 and June 30, 2024) |
|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| PERKINS for Students | N/A Program Discontinued |
| DIRECT for Students | 5.50% fixed Undergraduate Subsidized & Unsubsidized 7.05% fixed Graduate Unsubsidized |
| DIRECT PLUS for Parents 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: 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: StudentAid.gov for more information about other loans.

2. Follow These Steps to Apply for This Loan

- Complete the application and consider adding a cosigner. A cosigner may improve your chances for approval and may lower your interest rate.
- Sign your Promissory Note. Access your account at DiscoverStudentLoans.com to sign it electronically, or mail your Promissory Note to us with your original signature.
- Verify your cosigner (if you have a cosigner) has completed and signed the Cosigner Addendum. Your cosigner can access their account at DiscoverStudentLoans.com to sign it electronically or mail it to us with their original signature.
- Complete and sign the Self-Certification Form. Access your account at DiscoverStudentLoans.com to sign it electronically, or mail your Self-Certification Form to us with your original signature. You may get the Self-Certification Form from your school's financial aid office.
- Obtain school certification. In most cases, we will contact your school and request school certification on your behalf. Your loan amount will be the lesser of: the amount you request, the amount certified by your school, or the amount we approve. We will notify you if you need to obtain the school certification.

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 3-Month CME Term Secured Overnight Financing Rate (SOFR), which is administered by CME Group.
- CME Group publishes 3-Month CME Term SOFR on its website (cmegroup.com/termsofr).
- We will adjust your rate quarterly on each Jan 1, Apr 1, Jul 1 and Oct 1 (the "interest rate change date").
- Your rate will be based on the 3-Month CME Term SOFR rate available for the date that is 15 days prior to the interest rate change date, rounded up to the nearest one-eighth of one percent (0.125% or 0.00125), or 0%, whichever is greater.
- Your rate will be calculated on each interest rate change date by adding a Margin between 1.365% and 11.990% to the higher of the 3-Month CME Term SOFR rate or 0%.
- For more information and the most recent value of the 3-Month CME Term SOFR rate, visit DiscoverStudentLoans.com/Rates.
- The rate will not increase more than once a quarter, but there is no limit on the amount that the rate could increase at one time.
- Rates are typically higher without a cosigner.
- If you select the interest-only payment option and do not make the required payments while in school and during the grace period, you will lose the interest rate discount associated with your interest-only repayment option.

School Disbursement

- Your school will receive the funds, credit your school account, and forward any remaining amount to you.

Borrower Eligibility Criteria

- Be enrolled at least half-time in a Bachelor's or Associate's degree program at an eligible school.
- Be seeking a degree.
- Be making satisfactory academic progress as defined by your school.
- Be a US citizen, permanent resident or international student (international students require a cosigner).
- Be 16 years or older at the time you apply.
- Pass a credit check.

Cosigner Eligibility Criteria

- Must be a US citizen or permanent resident.
- Must be 18 years or older at the time of loan application.
- Must pass a credit check.

Bankruptcy Limitations

- If you file for bankruptcy before this loan disburses, then the loan will be canceled.
- If you file for bankruptcy after this loan disburses, you may still be required to pay back this loan.

Military Annual Percentage Rate (MAPR)

Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit, including installment loans. In general, the cost of consumer credit to a member of the Armed Forces and their dependents may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account:

- the costs associated with credit insurance premiums;
- fees for ancillary products sold in connection with the credit transaction;
- any application fee charged (other than certain application fees for specified credit transactions or accounts); and
- any participation fee charged (other than certain participation fees for a credit card account)

To hear this disclosure by phone or for more information on whether this applies to you, please contact us at 1-844-DFS-4MIL anytime 24/7. If calling outside the US, you can contact us at +1-801-451-3730.

More information about loan eligibility, interest rate discounts and repayment deferral or forbearance options is available in your Promissory Note, on DiscoverStudentLoans.com, or by calling us at 1-800-STUDENT.

Application & Solicitation Disclosure for Fixed Rate Undergraduate Loan

Loan Interest Rate & Fees

Your **interest** rate will be between
 5.490% and 15.990%
 After your rate is set, your rate will be fixed for the
 life of the loan.

Your Interest Rate (upon approval)

The interest rate you pay will be determined after you apply. The lowest fixed rate is available for only the most creditworthy applicants, and assumes you select the interest-only repayment option and make interest-only payments during the in-school and grace periods, which includes an interest rate discount of 0.35%. Your rate will be based on your credit history, which repayment option you choose and other factors including your cosigner's credit history (if applicable). 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 rate is fixed. This means that your rate will not change during the life of the loan, unless you elect to make interest-only payments while in school and during the grace period. If you stop making your required payments, your interest rate will go up.

Loan Fees and Charges

Application Fee: Zero **Late Charge:** Zero
Origination Fee: Zero **Returned Check Charge:** Zero
Repayment Fee: Zero

The maximum rate on the loan is the fixed rate, which will be disclosed to you after you are approved.

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon four (4) different repayment options available to you while enrolled in school.

| Repayment Option (While enrolled in school) | Amount Provided (Directly to your school or you) | Interest Rate (Highest possible rate) | Loan Term (How long you have to pay off the loan) | Total Paid over 15 years (Includes associated fees) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------|------------------------------------------------------|--------------------------------------------------------|
| 1. DEFER PAYMENTS Make no payments during the deferment period (automatic in-school deferment). Interest will be charged and added to your loan. | \$10,000 | 15.990% | 15 years starting <u>after</u> the deferment period | \$44,372.62 |
| 2. PAY ONLY THE INTEREST Select the interest-only in-school payment option during the application process and make interest payments but defer payments on the principal amount during the deferment period. | \$10,000 | 15.990% | 15 years starting <u>after</u> the deferment period | \$33,219.37 |
| 3. MAKE FIXED IN-SCHOOL PAYMENTS Select the in-school payment option during the application process and make fixed payments of \$25 each month during the deferment period. Unpaid interest will be added to your loan. | \$10,000 | 15.990% | 15 years starting <u>after</u> the deferment period | \$42,317.48 |
| 4. MAKE FULL PAYMENTS Pay both the principal and interest amounts (required while enrolled in school less than half-time) | \$10,000 | 15.990% | 15 years starting <u>after</u> your first payment | \$26,416.09 |

About this example

Repayment examples 1-3 assume that you remain in school for 4 years and have a 6-month grace period (together, the deferment period) before the loan term begins. Repayment example 4 assumes full payments begin immediately. All examples are based on **the highest rate currently charged** and associated fees. You always have the option to make payments ahead of schedule without penalty. By making payments ahead of schedule, you can reduce the total cost of your loan.

Federal Loan Alternatives

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| DIRECT PLUS for Parents 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: 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: StudentAid.gov for more information about other loans.

2. Follow These Steps to Apply for This Loan

- Complete the application and consider adding a cosigner. A cosigner may improve your chances for approval and may lower your interest rate.
- Sign your Promissory Note. Access your account at DiscoverStudentLoans.com to sign it electronically, or mail your Promissory Note to us with your original signature.
- Verify your cosigner (if you have a cosigner) has completed and signed the Cosigner Addendum. Your cosigner can access their account at DiscoverStudentLoans.com to sign it electronically or mail it to us with their original signature.
- Complete and sign the Self-Certification Form. Access your account at DiscoverStudentLoans.com to sign it electronically, or mail your Self-Certification Form to us with your original signature. You may get the Self-Certification Form from your school's financial aid office.
- Obtain school certification. In most cases, we will contact your school and request school certification on your behalf. Your loan amount will be the lesser of: the amount you request, the amount certified by your school, or the amount we approve. We will notify you if you need to obtain the school certification.

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).

REFERENCE NOTES

Fixed Interest Rate

- This loan has a fixed interest rate.
- If you select the interest-only payment option and do not make the required payments while in school and during the grace period, you will lose the interest rate discount associated with your interest-only repayment option.
- For more information about interest rates, please visit: DiscoverStudentLoans.com/Rates.
- Rates are typically higher without a cosigner.

School Disbursement

- Your school will receive the funds, credit your school account, and forward any remaining amount to you.

Borrower Eligibility Criteria

- Be enrolled at least half-time in a Bachelor's or Associate's degree program at an eligible school.
- Be seeking a degree.
- Be making satisfactory academic progress as defined by your school.
- Be a US citizen, permanent resident or international student (international students require a cosigner).
- Be 16 years or older at the time you apply.
- Pass a credit check.

Cosigner Eligibility Criteria

- Must be a US citizen or permanent resident.
- Must be 18 years or older at the time of loan application.
- Must pass a credit check.

Bankruptcy Limitations

- If you file for bankruptcy before this loan disburses, then the loan will be canceled.
- If you file for bankruptcy after this loan disburses, you may still be required to pay back this loan.

Military Annual Percentage Rate (MAPR)

Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit, including installment loans. In general, the cost of consumer credit to a member of the Armed Forces and their dependents may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account:

- the costs associated with credit insurance premiums;
- fees for ancillary products sold in connection with the credit transaction;
- any application fee charged (other than certain application fees for specified credit transactions or accounts); and
- any participation fee charged (other than certain participation fees for a credit card account)

To hear this disclosure by phone or for more information on whether this applies to you, please contact us at 1-844-DFS-4MIL anytime 24/7. If calling outside the US, you can contact us at +1-801-451-3730.

More information about loan eligibility, interest rate discounts and repayment deferral or forbearance options is available in your Promissory Note, on DiscoverStudentLoans.com, or by calling us at 1-800-STUDENT.

Private Student Loan Iowa Disclosure

A. COSIGNER REQUIREMENTS

A cosigner may be required for this student loan if the applicant does not meet our credit requirements on their own.

B. REPAYMENT OF LOAN INFORMATION

Undergraduate Loans:

Repayment of your loan begins 6 months after graduation or enrollment in school less than half-time unless you elect, during the application process, to make in-school payments.

Health Professions Loans, Law Loans, MBA Loans and Graduate Loans:

Repayment of your loan begins 9 months after graduation or enrollment in school less than half-time unless you elect, during the application process, to make in-school payments.

You can pay your loan in advance, in whole, or in part, at any time without penalty.

C. ADDITIONAL TERMS AND CONDITIONS

Your loan is subject to all of the terms and conditions of your Promissory Note. Please read your Promissory Note carefully. It may include terms under which the interest rate on the loan may change. To obtain a copy of your Promissory Note, please visit DiscoverStudentLoans.com or call us at 1-800-STUDENT (1-800-788-3368).

D. CONSEQUENCES OF LOAN DEFAULT

There are serious consequences if you default on this loan. For example, under normal circumstances, student loans are not dischargeable in bankruptcy. In order to discharge a loan in bankruptcy, the borrower must prove undue hardship in an adversary proceeding before the bankruptcy court.

Additional consequences of default on this loan may include:

- Lender may report your late payment history to consumer reporting agencies
- Interest will continue to accrue on the outstanding principal balance
- Lender may take legal action
- Borrower will no longer be eligible for further loans from the lender
- Full amount of the loan may become due

E. LENDER / SERVICER CONTACT INFORMATION

Discover Student Loans
PO Box 30947
Salt Lake City, UT 84130-0947
1-800-STUDENT (phone)
1-224-813-5195 (fax)

DiscoverStudentLoans.com

For specific questions about your account or application, log in and send us a secure message

