Documents you have received that are accessible to you reveal inaccuracies about your loan. If you believe we have reported delinquencies or defaults on your loan that may reflect in information about your loan to consumer credit reporting agency that provided it. We may report and give you the name and address of the consumer application and at any time before you repay your loan in full. We will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who applies for a loan. When you apply for a loan, we will ask for your name, address, date of birth, Social Security number, and other information that identifies each person who apl
consumer credit, including installment loans. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: (a) the costs associated with credit insurance premiums; (b) fees for ancillary products sold in connection with the credit transaction; (c) any application fees; (d) any administrative fees charged (after disbursement); (e) any late fees charged (after disbursement); (f) any finance charges; (g) any other finance charges charged (after disbursement); (h) any other fees charged (after disbursement); and (i) any other costs charged (after disbursement). If you would like more information about whether this section applies to you, please contact us at 1-844-DFS-4MIL or if you are calling from outside the US at +1-801-451-3730.

7. REPAYMENT TERMS AND CAPITALIZATION OF INTEREST:

1) Deferred Repayment Period: Interest will accrue but you are not required to make payments during a Deferred Repayment Period. We will not capitalize any accrued and unpaid interest at the beginning of the Repayment Period.

2) Repayment Period: The Repayment Period generally begins when we make the final disbursement of your loan proceeds. If there are more than one disbursement of your loan, the Repayment Period begins on the date of the final disbursement. The Repayment Period begins when the remaining scheduled future disbursements have all been cancelled. If disbursements are put on hold for any reason, the Repayment Period begins when the final disbursement is scheduled to disburse, even if one or more disbursements have already been put on hold and remain on hold. If an additional disbursement is requested before a billing statement is generated, the Repayment Period will begin when that disbursement is made. A billing statement is generated 23 days prior to the First Payment Due Date. We will notify you of the estimated disbursement dates for your loan and your First Payment Due Date. You are required to make payments during the Repayment Period in monthly installments until you pay the Principal, interest, and all other charges owed under this Note.

3) Payment Due Dates: Payments will be due monthly on the same day of each month as determined by us. The first Payment Due Date will be approximately 23 days after the date of the final disbursement by giving notice to us as described on the Final Disclosure.

4) Calculation of Initial Payment Amount: At the start of the Repayment Period, we will calculate the payment amount necessary to amortize your outstanding loan balance, including accrued interest, at the current interest rate in effect immediately after the first disbursement. Payments will be applied first to accrued interest, then as principal as explained in Section L Subsection 6 (Application of Payments) below. This scheduled monthly payment following the start of the Repayment Period will not be less than $50, unless otherwise required by law, for your Discover student loans that are part of the Deferred Repayment Period.

5) Changes in Payment Amount: We may re-amortize your loan at any time to ensure the new outstanding loan balance at the then-current interest rate will be paid in equal monthly installments by the end of the Repayment Period. This may cause scheduled monthly payments to increase or decrease. We will inform you in advance of any change in the scheduled monthly payment.

6) Application of Payments: Payments will be applied first to accrued interest and then to Principal. In the event of default, any payments you make thereafter may be applied by us differently unless and until you bring the loan current. If a payment is less than the Minimum Payment Due, it will be applied first to accrued interest, then to the most delinquent loan amount. Payments will then be applied toward the remaining Minimum Payment Due amount.

7) Deferrment: Once you have moved into the Repayment Period, you may be able to postpone your payments if you complete a Private Loan Deferrment Request form and provide required supporting documents. During a deferrment period, interest will continue to accrue on your loan. Any and all unpaid deferred interest will be added to the Principal balance of your loan at the end of your deferment.

8) Repayment Assistance Options: If you are unable to repay your loan according to the terms of this Note, we may offer certain repayment assistance options such as forbearance or other programs. Interest will continue to accrue during repayment programs. Any and all accrued and unpaid interest charges, fees, and other charges (except late fees) charged (after disbursement) will remain outstanding on your loan at the end of the repayment program period. For more information on any Repayment Assistance Programs you may contact us 24 hours a day by phone at the number listed on your statements or our website.

9) Amounts Owning at the End of the Repayment Period: Under the Truth-in-Lending Act, the Borrower has the right to cancel a loan prior to the first disbursement by giving notice to us as described on the Final Disclosure.

N. ADDITIONAL RIGHT TO CANCEL:

In addition to the Borrower’s right to cancel under the Truth-in-Lending Act, if, within 120 days after first disbursement date, all future loan disbursements are cancelled and all previously disbursed loan proceeds are returned to us, we will waive any and all interest charges from the date of first disbursement on your loan. If a loan or an individual disbursement is cancelled, you will have to reapply to obtain a new loan.

O. PREPAYMENT:

You may prepay, in full or in part, the amount owed on your loan(s) at any time without penalty. If you prepay the loan(s) in part, you agree to continue to make regularly scheduled payments until all amounts due under this Note are paid. If you have more than one loan outstanding, you may direct the amount of your prepayment to one or more particular loans. If you do not specify how to apply your prepayment, we will apply it to your loans according to our own internal policy in effect at the time.

P. NO RETURNED PAYMENT CHARGES:

We will not assess any returned payment fee pursuant to your agreement to arbitrate. Additionally, we may not return a payment that is not honored by your bank or other financial institution.

Q. NO LATE PAYMENT CHARGES:

We will not assess any late payment charges under this Note.

R. DEFAULT – WHOLE LOAN DUE:

If you are in default on a loan made under this Note, the entire outstanding balance on the loan will be due immediately at our option, except as prohibited by law. This will happen without any prior notice to you or right to cure, except where required by law. If you are in default and we file suit or take other action with respect to any loan, you agree to pay the costs of the suit and the costs of collection (including the costs of outside collection agencies) and reasonable attorneys’ fees. Your agreement to pay these costs and fees is subject to the Servicemembers Civil Relief Act and other applicable laws. You will be in default for any of the following reasons:

1) If you do not make required payments by the end of the calendar month in which it becomes 120 days past due, during the Repayment Period;

2) If you have made any material untrue statement or misrepresentation in an application or any other certificate or document given or made for a loan(s) as permitted by state law.

S. GENERAL WAIVER PROVISIONS:

You have received presentations, payment, demand, protest, and notice of all other rights, privileges, powers, and remedies under this Note. We can accept late payments, partial payments, and checks and money orders marked “payment in full” or with any other restrictive endorsement without losing any of our rights under this Note.

T. ASSIGNMENT:

You may not assign or otherwise transfer your rights under this Note to anyone else. We may sell, transfer, or assign this Note, without notice to you, unless required by law, and your rights and obligations under this Note will continue unchanged.

U. DELAY IN ENFORCEMENT:

We can delay enforcing any rights under this Note without losing any rights. Our failure to enforce any right under this Note for a period of time will not waive or restrict the exercise of that right in the event of a future occurrence of the same event. We can also extend or defer the time allowed for making payments at your request, and such extension will not affect your obligations, whether or not you are given notice of the extension.

V. NOTICES AND ADDRESSES:

1) Government guidelines require us to maintain current information about you. You agree to notify us promptly after any change in your name, address, or other contact information. We also may periodically request that you update or confirm your information, and you agree to do so promptly.

2) Any notice or communication with us required or permitted under the Federal Bankruptcy Code must be in writing, must include your loan account number, and must be sent to Discover Student Loans, PO Box 30947, Salt Lake City, UT 84130-0947 or another customer service address that we provide to you on a letter or statement.

3) You will send any other type of notice to the address that we have most recently provided to you for that purpose.

4) We may provide all notices by applicable law, any notice that we are required to give you will be effective when mailed by USPS First-Class Mail to your address in our records.

W. ARBITRATION OF DISPUTES:

1) Agreement to Arbitrate. In the event of a dispute between you and us arising out of or relating to this Loan Agreement or the relationships resulting from this Loan Agreement or for any other dispute between you or us, including, for example, a breach of contract, you and we agree to resolve our disputes through binding arbitration, as described below, instead of in court. Any Claim (except for a Claim challenging the validity or enforceability of this arbitration agreement, including the Class Action Waiver) may be resolved by binding arbitration, as described below, instead of in court.

2) Any notice or communication with us required or permitted under the Federal Bankruptcy Code must be in writing, must include your loan account number, and must be sent to Discover Student Loans, PO Box 30947, Salt Lake City, UT 84130-0947 or another customer service address that we provide to you on a letter or statement.

3) You will send any other type of notice to the address that we have most recently provided to you for that purpose.

4) Any notice or communication with us required or permitted under the Federal Bankruptcy Code must be in writing, must include your loan account number, and must be sent to Discover Student Loans, PO Box 30947, Salt Lake City, UT 84130-0947 or another customer service address that we provide to you on a letter or statement.
2) Your Right to Go to Small Claims Court. We will not choose to arbitrate any individual Claim you bring in small claims court or your state’s equivalent court. However, if such a Claim is transferred, removed, or appealed to a different court, we may then choose to arbitrate.

3) Governing Law and Rules. This arbitration agreement is governed by the Federal Arbitration Act (“FAA”). Arbitration must proceed only with the American Arbitration Association (“AAA”). The rules for the arbitration will be those in this arbitration agreement and the procedures of the AAA, but the rules in this arbitration agreement will be followed if there is disagreement between the agreement and the AAA’s procedures. If the AAA’s procedures change after the Claim is filed, the agreement will not be modified to reflect such change. For a copy of the AAA’s procedures, file a Claim, or for other information, please contact the AAA at 1101 Laurel Oak Road, Voorhees, NJ 08043, www.adr.org, phone: 1-877-495-4185.

If the AAA is completely unavailable, and if you and we cannot agree on a substitute, then either you or we may request that a court with jurisdiction appoint a substitute.

4) Fees and Costs. If you wish to begin arbitration against us but you cannot afford to pay the AAA’s or arbitrator’s costs, we will advance those costs if you ask us in writing. Any request like this should be sent to Discover Student Loans, PO Box 30421, Salt Lake City, UT 84130-0421. If you lose the arbitration, the arbitrator will decide whether you must reimburse us for money you advance for this arbitration. If you win the arbitration, we will not ask for reimbursement of money we advanced. Additionally, if you win the arbitration, the arbitrator may decide that you are entitled to be reimbursed your reasonable attorneys’ fees and costs (if actually paid by you).

5) Hearings and Decisions. Arbitration hearings will take place in the federal judicial district where you live. A single arbitrator will be appointed. The arbitrator must: • Follow all applicable substantive law, except when contradicted by the FAA • Follow applicable statutes of limitations • Honor valid claims of privilege • Issue a written decision including the reasons for the award The arbitrator’s decision will be final and binding except for any review allowed by the FAA. However, if more than $100,000 was genuinely in dispute, then either you or we may choose to appeal to a new panel of three arbitrators. The appellate panel is completely free to accept or reject the entire original award or any part of it. The appeal will be filed with the AAA not later than 30 days after the original award issues. The аппellate panel can reverse, alter or modify the decision until the appellate panel determines otherwise as part of its award. Any arbitration award may be enforced (such as through a judgment) in any court with jurisdiction.

6) Other Beneficiaries of this Arbitration Agreement. In addition to you and us, the rights and duties described in this arbitration agreement apply to: our Affiliates and our and their employees, directors, officers and any third party co-defendant of a Claim subject to this arbitration agreement.

7) Survival of this Arbitration Agreement. This arbitration agreement shall survive: • Termination of your Loan • Voluntary payment of your Loan in full or in part • Any legal proceedings to collect money you owe • Any bankruptcy petition you file • Any sale by us of your Loan • You have the Right to Reject Arbitration for this Loan. You may reject the arbitration agreement but only if we receive from you a written notice of rejection within 30 days after consummation of your Loan. You must send the notice of rejection to Discover Student Loans, PO Box 30938, Salt Lake City, UT 84130-0938. Your rejection notice must include your name, address, phone number, Loan number, and personal signature. No one else may sign the rejection notice for you. Your rejection notice must not be sent with any other correspondence. Rejection of arbitration will not affect your other rights to or under this Promissory Note. If you reject arbitration, neither you nor we will be subject to the arbitration agreement for this Loan. Rejection of arbitration for this Loan will not constitute rejection of any prior or future arbitration agreement between you and us.

X. GOVERNING LAW: This Note and any Claim or dispute arising out of this Note will be governed by applicable United States federal law and, to the extent state law applies, Delaware law, without regard to its conflict of law rules. All other laws, including the privacy and other laws of other countries and international bodies, are inapplicable.

Y. STATE LAW NOTICES:

1) California Residents: A married applicant may apply for and receive a negative credit report reflecting that your credit may be submitted to a credit reporting agency if you fail to fulfill the terms of this Note.

2) Indiana and Maine Residents: The provisions of this Note regarding the payment of collection agency costs and court costs do not apply to Indiana or Maine residents.

3) Notice and Choice of Forum: CONSUMER: a) Do not sign this agreement before you read it; b) You are entitled to a copy of this agreement; c) You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned finance charges in accordance with law.

4) Maryland Residents: We elect Subtitle 10, Credit Grantor Closed-End Credit Provision to Title 12 of the Commercial Law Article of the Annotated Code of Maryland, to govern this Note, only to the extent not inconsistent with 12 U.S.C. § 1831d and related regulations and opinions.

5) Massachusetts Residents: Massachusetts law prohibits discrimination based on marital status, or sexual orientation on the basis of race, color, religion, national origin, sex, age, disability, military service status, genetic information, or any other protected status.

6) Missouri Residents: Oral agreements or commitments to loan money, extend credit, or to forbear from enforcing repayment of debt, including promises to extend or renew such debts, are not enforceable. To protect you (Borrower(s)) and us (creditor) from misunderstandings or dispute, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later modify it in writing.

6) New Jersey Residents: If we refer this Note to an attorney for collection, you agree to pay our reasonable attorneys’ fees. However, if you prevail in any action, suit, or proceeding we bring, or b) an action brought by you in connection with this Note, or if you successfully assert a partial defense or setoff, recoupment, or counterclaim to an action brought by us, the court may withhold from us the attorneys’ fees as the court considers equitable.

7) New York Residents: This Note applies to residents of multiple states, and certain provisions may be void, unenforceable or inapplicable to residents in states other than New York. None of these provisions are void, unenforceable or inapplicable to New York residents, except that, if you reside in New York, any collection fees imposed upon default are limited to 20% of the principal balance and interest outstanding. Please let us know how you would like us to apply a payment that is in excess of the monthly amount due on your Loan(s).

8) New York Residents: A consumer credit report may be ordered on you in connection with your application for credit. If you ask, we will tell you whether or not one was ordered and if one was, the name and address of the consumer credit reporting agency that provided it.

9) Ohio Residents: The Ohio laws against discrimination require that all creditors make credit equally available to all credit-worthy customers and that consumer credit reporting agencies shall not have credit reports containing aé and if one was, the name and address of the consumer credit reporting agency that provided it.

Subsequent consumer credit reports may be requested or used in connection with an update, renewal, or extension of the credit applied for without further notice to you.

12) Texas Residents: You give up (waive) your common law rights to receive notice of intent to accelerate and notice of acceleration. This means that you give up the right to receive notice that we intend to demand that you pay all that you owe on this contract at once (accelerate) and notice that we have accelerated. This written loan agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

13) Wisconsin Residents: Any provision in this Note authorizing the holder of this Note to collect attorneys’ fees in the event of a default are void if the party being sued for collection is a resident of the State of West Virginia.

14) Wisconsin Residents: If you are a married Wisconsin resident, your signature confirms that this loan obligation is being incurred in the interest of your marriage or family. No provision of any marital property agreement (e.g., premarital agreement), unilateral statement under §766.59 of the Wisconsin Statutes, or court decree under §766.70 of the Wisconsin Statutes adversely affects our interest unless we, prior to the time that the loan is approved, are furnished with a copy of the marital property agreement, a statement, or a decree that contains actual knowledge of the adverse provision. If the loan for which you are applying is granted, you will notify us if you have a spouse who needs to receive notification that credit has been extended to you. Notwithstanding provisions to the contrary in Section R DEFAULT – WHOLE LOAN DUE of this Note, you will be in default hereunder only: a) if the interest on the Note is due but you fail to pay it; or b) if the interval between scheduled payments is more than 2 months, and you permit to be outstanding an amount exceeding 1 full payment that has remained unpaid for more than 10 days after its scheduled due date or deferred due date, or you fail to pay the first payment or the last payment within 40 days of its scheduled due date or deferred due date; or c) if the interval between scheduled payments is more than 2 months, and you permit to be outstanding an amount exceeding 1 full payment that has remained unpaid for more than 60 days after its scheduled due date or deferred due date. You will also be in default if you fail to observe any other provision of this Note, the breach of which materially impairs your ability to pay the amounts due under this Note.

15) Utah Residents: As required by Utah law, you are hereby notified that a negative consumer credit report reflecting on your credit record may be submitted to a consumer credit reporting agency if you fail to fulfill the terms of your credit obligations.

Z. CORRECTION OF ERRORS: All parties to this Note agree to fully cooperate and adjust all typographical, computer, calculation, or clerical errors as required in connection with this Note, or if you successfully assert a partial defense or setoff, recoupment, or counterclaim to an action brought by us, the court may withhold from us the attorneys’ fees as the court considers equitable.

AA. EFFECT OF PARTIAL INVALIDITY: If any provisions of this Note are rendered invalid or unenforceable, those provisions shall be considered omitted from this Note without affecting the validity or enforceability of the remaining provisions of this Note.

BB. OTHER IMPORTANT TERMS:

1) Signatures: This Note will be effective and enforceable only if signed by you, us, or our authorized agent. To sign, you must sign your name in the space provided on the Promissory Note and deliver it to us. A facsimile, electronic, or scanned copy of your signature that you deliver to us by any means acceptable to us will be deemed original. If you submit your Application electronically, clicking “E-sign Now” or its equivalent (such as “I accept” or “I approve”) will be deemed your original signature delivered to us.

2) Rewards and Other Options: From time to time we may offer rewards and benefits for which you may become eligible as a Borrower. In the event you are eligible and are accepted by us to participate in any such program, you agree to abide by applicable terms and conditions as may be published by us, including any amendments to those terms and conditions. Your acceptance of any such program is subject to your compliance with the terms and conditions of such program, which may be found at the number listed on your statements and on our website.

3) Non-negotiable: This is a non-negotiable consumer credit report reflecting on your credit record may be submitted to a consumer credit reporting agency if you fail to fulfill the terms of your credit obligations.