## Application & Solicitation Disclosure for Custom Graduate Loan

### Loan Interest Rate & Fees

<table>
<thead>
<tr>
<th>Loan Fees and Charges</th>
<th>Application Fee</th>
<th>Zero</th>
<th>Late Charge</th>
<th>Zero</th>
<th>Origination Fee</th>
<th>Zero</th>
<th>Returned Check Charge</th>
<th>Zero</th>
<th>Repayment Fee</th>
<th>Zero</th>
</tr>
</thead>
</table>

**Your Starting Interest Rate (upon approval)**

The starting interest rate you pay will be equal to the 3-Month CME Term SOFR rate or 0%, whichever is higher, plus a Margin of 6.240%. The value of the 3-Month CME Term SOFR rate varies with the market each quarter and may increase the rate above or decrease 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. 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 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 three (3) different repayment options available to you while enrolled in school.

<table>
<thead>
<tr>
<th>Repayment Option (While enrolled in school)</th>
<th>Amount Provided (Directly to your school or you)</th>
<th>Interest Rate (Highest possible starting rate)</th>
<th>Loan Term (How long you have to pay off the loan)</th>
<th>Total Paid over 20 years (Includes associated fees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <strong>DEFER PAYMENTS</strong></td>
<td>Make no payments during the deferment period (automatic in-school deferment). Interest will be charged and added to your loan.</td>
<td>$10,000</td>
<td>6.865%</td>
<td>20 years starting after the deferment period</td>
</tr>
<tr>
<td>2. <strong>PAY ONLY THE INTEREST</strong></td>
<td>Make interest payments but defer payments on the principal amount during the deferment period.</td>
<td>$10,000</td>
<td>6.865%</td>
<td>20 years starting after the deferment period</td>
</tr>
<tr>
<td>3. <strong>MAKE FULL PAYMENTS</strong></td>
<td>Pay both the principal and interest amounts (required while enrolled in school less than half-time)</td>
<td>$10,000</td>
<td>6.865%</td>
<td>20 years starting after your first payment</td>
</tr>
</tbody>
</table>

**About this example**

The repayment example assumes that you remain in school for 2 years and have a 9 month grace period before beginning repayment. It is based on the highest starting 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

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
   A) Complete the application.
   B) Sign your Promissory Note and Application Addendum. Access your account at DiscoverStudentLoans.com to sign your Promissory Note and Application Addendum electronically, or mail these documents to us with your original signature.
   C) Complete and sign the Self-Certification Form. Access your account at DiscoverStudentLoans.com to sign it electronically, or mail it to us with your original signature. You may get the Self-Certification Form from your school's financial aid office.
   D) 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/termsoft).
- 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 of 6.240% to the higher of the 3-Month CME Term SOFR rate or 0%.
- For more information about the 3-Month CME Term SOFR rate please 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.

Bankruptcy Limitations
- If you file for bankruptcy, 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 and repayment deferral or forbearance options is available in your Promissory Note, on DiscoverStudentLoans.com, or by calling us at 1-800-973-5145.

Loan Program | Current Interest Rates by Program Type (for loans with a first disbursement between July 1, 2021 and June 30, 2022) | Perk
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PERKINS for Students | N/A Program Discontinued | N/A
DIRECT for Students | 3.73% fixed Undergraduate Subsidized & Unsubsidized 5.28% fixed Graduate Unsubsidized | N/A
DIRECT PLUS for Parents and Graduate / Professional Students | 6.28% fixed | N/A

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

Borrower Eligibility Criteria
- Must be enrolled at an eligible school.
- Must be making satisfactory academic progress as defined by your school.
- Must be a US citizen, permanent resident or international student.
- Must be 18 years or older at the time you apply.
- Must pass a credit check.

Discover Student Loans are made by Discover Bank.
Iowa Disclosure for Custom Graduate Loan

A. COSIGNER REQUIREMENTS

A cosigner is not required for this student loan.

B. REPAYMENT OF LOAN INFORMATION

Repayment of your loan begins 9 months after graduation or enrollment in school less than half-time.

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 and Application Addendum. Please read your Promissory Note and Application Addendum carefully. These documents may include terms under which the interest rate on the loan may change. To obtain a copy of your Promissory Note and Application Addendum, please visit DiscoverStudentLoans.com or call us at 1-800-973-5145 (outside the United States +1-801-619-2551).

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. To discharge a loan in bankruptcy, the borrower must provide proof of undue hardship in a special court proceeding called 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)
Service@DiscoverStudentLoans.com
DiscoverStudentLoans.com