

Application & Solicitation Disclosure for Variable Rate Private Consolidation Loan

Loan Interest Rate & Fees

Your **starting interest rate** will be between

4.990% and **7.990%**

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. It will be equal to the 3-Month LIBOR Index plus Margin. The value of the 3-Month LIBOR Index 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, the repayment term you select 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 variable. This means that your rate could move lower or higher than the rates on this form. The variable rate is based upon the 3-Month LIBOR Index (as published in the *Wall Street Journal*). 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 Payment Charge:** Zero
Origination Fee: Zero **Returned Payment Charge:** Zero
Repayment Fee: Zero

Loan Cost Example

Repayment Option	Amount Provided (Directly to others on your behalf)	Interest Rate (Highest possible starting rate)	Loan Term (How long you have to pay off the loan)	Total Paid over Loan Term (Includes associated fees)
MAKE FULL PAYMENTS Pay both the principal and interest amounts	\$10,000	10-year term 7.990%	10 years starting <u>after</u> your first payment	10-year term: \$14,552.65
		20-year term 7.990%	20 years starting <u>after</u> your first payment	20-year term: \$20,056.77

About this example

The repayment example assumes you immediately begin making payments of principal and interest when the loan is disbursed. 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 Alternative

- Federal student loans can be consolidated into a Direct Consolidation Loan.
- The interest rate is fixed and is based on the weighted average of the interest rates on the loans being consolidated, rounded up to the nearest one-eighth of 1%.

You may qualify for a Direct Consolidation Loan.

For additional information, visit the **Department of Education at:** StudentAid.gov

See DiscoverStudentLoans.com/Consolidate for important information about the consequences of refinancing federal student loans.

Next Steps

Follow These Steps to Apply for This Loan

- 1) Complete the application and consider adding a cosigner. A cosigner may lower your interest rate.
- 2) 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.
- 3) 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.
- 4) Access your account at DiscoverStudentLoans.com or call us at 1-800-STUDENT to provide information about the loans you want to consolidate.
- 5) Call us at 1-800-STUDENT to verify the loans you want to consolidate. We will together call your current loan servicers.

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 the 3-Month London Interbank Offered Rate (LIBOR), a publicly available index. We will adjust your rate quarterly on each Jan 1, Apr 1, Jul 1 and Oct 1 (the "interest rate change date"), based on the 3-Month LIBOR Index, published in the Money Rates section of the *Wall Street Journal* 15 days prior to the interest rate change date, rounded up to the nearest one-eighth of one percent (0.125% or 0.00125). Your rate will be calculated each quarter by adding a Margin between 2.740% and 5.740% to the 3-Month LIBOR Index for a 20 year repayment term or by adding a Margin between 2.740% and 5.740% to the 3-Month LIBOR Index for a 10 year repayment term.
- For more information and the most recent value of the 3-Month LIBOR Index, please visit: DiscoverStudentLoans.com.
- 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.

Loan Disbursement

- Loan servicers will be paid directly on your behalf.

Borrower Eligibility Criteria

- Must have attended an eligible school.
- Must be a US citizen or permanent resident.
- Must be 18 years or older at the time you apply.
- Must 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, you may still be required to pay back this loan.

Military Annual Percentage Rate (MAPR)

Effective October 3, 2016, 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.

The loans you want to consolidate must have solely been used to pay for qualified higher education expenses while you were enrolled in school at least half-time as determined by your school.

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-STUDENT.

Application & Solicitation Disclosure for Fixed Rate Private Consolidation Loan

Loan Interest Rate & Fees

Your interest rate will be between

5.490% and **8.240%**

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. It will be based on your credit history, the repayment term you select 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.

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

Loan Fees and Charges

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

Loan Cost Example

Repayment Option	Amount Provided (Directly to others on your behalf)	Interest Rate (Highest possible rate)	Loan Term (How long you have to pay off the loan)	Total Paid over Loan Term (Includes associated fees)
MAKE FULL PAYMENTS Pay both the principal and interest amounts	\$10,000	10-year term 8.240%	10 years starting after your first payment	10-year term: \$14,711.91
		20-year term 8.240%	20 years starting after your first payment	20-year term: \$20,432.25

About this example

The repayment example assumes you immediately begin making payments of principal and interest when the loan is disbursed. It is 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 Alternative

- Federal student loans can be consolidated into a Direct Consolidation Loan.
- The interest rate is fixed and is based on the weighted average of the interest rates on the loans being consolidated, rounded up to the nearest one-eighth of 1%.

You may qualify for a Direct Consolidation Loan.

For additional information, visit the **Department of Education at: StudentAid.gov**

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- 3) 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.
- 4) Access your account at DiscoverStudentLoans.com or call us at 1-800-STUDENT to provide information about the loans you want to consolidate.
- 5) Call us at 1-800-STUDENT to verify the loans you want to consolidate. We will together call your current loan servicers.

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

- For more information about interest rates, please visit: DiscoverStudentLoans.com.
- Rates are typically higher without a cosigner.

Loan Disbursement

- Loan servicers will be paid directly on your behalf.

Bankruptcy Limitations

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Cosigner Eligibility Criteria

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The loans you want to consolidate must have solely been used to pay for qualified higher education expenses while you were enrolled in school at least half-time as determined by your school.

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