

**Maine State Credit Union**  
 200 Capital Street, PO Box 5659  
 Augusta, Maine 04332  
 855-210-8174

**Loan Interest Rate & Fees**

Your **starting interest rate** will be between

**3.250 %** and **6.950 %**

After the starting rate is set, your rate will then vary with the market.

**Your Interest Rate (upon approval)**

The starting Interest Rate you pay will be determined after you apply. The rate will be established by your credit history (or your cosigner's 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 actual rate varies with the market and could be lower or higher than the rate on this form. The variable rate is based upon the Prime Rate published on *The Wall Street Journal's* website. For more information on this rate, see the Reference Notes.

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

**Fees**

**Origination Fee:** The fees that we charge to make this loan range from 0.00% to 4.00% of the approved loan amount, added to the loan balance at the time of disbursement.

**Late Charge:** 5% of the past due amount or \$10, whichever is less.

**Default and Collection Charges:** In the event of a default, the borrower may incur additional collection charges as permitted under applicable law.

**Loan Cost Example**

Immediate payments of principal and interest are due following the disbursement of loan proceeds. There are no deferral options for this loan.

| Repayment Option  | Amount Provided | Interest Rate<br>(highest possible rate) | Loan Term<br>(how long you have to pay off the loan) | Total Paid over 180 months |
|---|-----------------|--|--|----------------------------|
| 1. <b>MAKE FULL PAYMENTS</b><br>Make principal and interest payments. | \$10,000.00     | 6.950 %                                  | 180 months<br><br>starting <u>after</u> disbursement | \$ 16,918.20               |

**About this example**

The loan cost example is based on the highest variable interest rate and fees currently charged and a 180 month repayment term, and assumes that all payments are made on the date they are due.

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## Federal Loan Alternatives

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There are currently no Federal Loan Alternatives that allow the consolidation of private student loans. Federal Consolidation Loans only allow for the consolidation of Federal student loans.

You may be able to consolidate your outstanding federal education loans into a Federal Direct Consolidation Loan. Visit the Department of Education's website at: [www.studentaid.ed.gov/repay-loans/consolidation](http://www.studentaid.ed.gov/repay-loans/consolidation) for more information about consolidation loan options that may be available for federal student loans.

The current interest rate for a Federal Direct Consolidation Loan is the weighted average of the interest rates being consolidated rounded up to the nearest one-eighth of one percent.

## Next Steps

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### 1. Find Out About Other Loan Options.

Visit the Department of Education's website at: [www.studentaid.ed.gov/repay-loans/consolidation](http://www.studentaid.ed.gov/repay-loans/consolidation) for more information about consolidation loan options that may be available for federal student loans.

### 2. To Apply for this Loan, Complete the Application.

An Approval Disclosure will be provided to you after you have completed the application process if your loan is approved. The Approval Disclosure will identify the loan terms for which you are approved. 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

- The Variable Interest Rate is based upon the Prime Rate (rounded to two decimal places) plus a margin between 0.000% and 3.700% based on creditworthiness, and is adjusted quarterly.
- 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. Your rate will never exceed 18.000%.
- If the Interest Rate increases your monthly payments will be higher.

### Eligibility Criteria Borrower

- Must be a U.S. Citizen or a permanent resident alien.
- Must be at least age of majority in his or her state of permanent residence or apply with a cosigner who is.
- Must have been enrolled at an eligible accredited U.S. school.
- Must be a Maine resident, graduated from a Maine high school, attended a Maine college or university, or be a prior borrower with a lender in the Maine Private Education Loan Network.

### Cosigner

- A cosigner may be required if borrower does not meet the minimum credit requirements.
- Must be a U.S. Citizen or a permanent resident alien.
- Must be at least the age of majority in his or her state of permanent residence.
- Rates are typically higher without a cosigner.

### Borrower and Cosigner

- Both borrower and cosigner are subject to credit approval. Additional documentation may be required.
- Borrower on an individual application or the cosigner on a joint application must have a minimum annual income of at least \$24,000 and must meet employment, debt-to-income and other underwriting requirements.
- Borrower or cosigner, if applicable, must be a member of Maine State Credit Union.

### Loans Eligible for Refinancing and/or Consolidation

- Loans cannot be in a delinquent status and must have an aggregate minimum outstanding balance of \$10,000.
- Loans must have been used only for qualified higher education expenses (as defined in 26 USC Section 221) at an accredited U.S. higher education institution.

### Bankruptcy Limitations

- If you file for bankruptcy you may still be required to pay back this loan.

### Prepayments

- If you choose to prepay your principal at any time, you will not be charged a prepayment penalty.

**More information about loan eligibility and repayment deferral or forbearance options is available in your loan application and the Credit Agreement.**

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## **Notice for students attending an institute of higher education in 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](mailto:studentloan@schev.edu); 804-786-2832. In addition, resources for prospective and current private education loan borrowers are available online at [schev.edu/privateloan](http://schev.edu/privateloan).