

Application & Solicitation Disclosure for Variable Rate Private Consolidation Loan

Loan Interest Rate & Fees

Your **starting interest** rate will be between
 7.740% and 11.490%
 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 who are approved and choose a shorter repayment term. Your rate will be equal to the 3-Month CME Term SOFR rate or 0%, whichever is higher, plus 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, 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, 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. 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 Example

The total amount you will pay for this loan will vary depending upon when you repay it. This example provides estimates based upon the repayment options available to you.

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)
1. DEFER PAYMENTS Make no payments during the deferment period. Interest will be charged and added to your loan.	\$10,000	11.490%	10 years starting <u>after</u> your first payment	10-year term: \$20,734.80
		11.490%	20 years starting <u>after</u> your first payment	20-year term: \$31,447.90
2. MAKE FULL PAYMENTS Pay both the principal and interest amounts	\$10,000	11.490%	10 years starting <u>after</u> your first payment	10-year term: \$16,860.78
		11.490%	20 years starting <u>after</u> your first payment	20-year term: \$25,568.12

About this example

Repayment example 1 assumes you are in school for 2 years before the loan term begins. You must request deferral and provide the required paperwork to qualify. Repayment example 2 assumes you immediately begin making payments of principal and interest when the loan is disbursed. 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. Information about repayment deferral options is available in your Promissory Note, on DiscoverStudentLoans.com, or by calling us at 1-800-STUDENT.

Federal Loan Alternative

You may qualify for a Direct Consolidation Loan.

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

- 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%.

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 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/termsufr).
- 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 2.865% and 6.115% to the higher of the 3-Month CME Term SOFR rate or 0% for a 20 year repayment term or by adding a Margin between 2.365% and 6.115% to the higher of the 3-Month CME Term SOFR rate or 0% for a 10 year repayment term.
- For more information and the most recent value of the 3-Month CME Term SOFR rate, 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 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 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.

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

Application & Solicitation Disclosure for Fixed Rate Private Consolidation Loan

Loan Interest Rate & Fees

Your **interest** rate will be between
 6.240% and 9.990%
 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 who are approved and choose a shorter repayment term. Your rate 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 Charge:** Zero
Origination Fee: Zero **Returned Check Charge:** Zero
Repayment Fee: Zero

Loan Cost Example

The total amount you will pay for this loan will vary depending upon when you repay it. This example provides estimates based upon the repayment options available to you.

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)
1. DEFER PAYMENTS Make no payments during the deferment period. Interest will be charged and added to your loan.	\$10,000	9.740%	10 years starting <u>after</u> your first payment	10-years term: \$18,737.56
		9.990%	20 years starting <u>after</u> your first payment	20-years term: \$27,760.35
2. MAKE FULL PAYMENTS Pay both the principal and interest amounts	\$10,000	9.740%	10 years starting <u>after</u> your first payment	10-years term: \$15,682.20
		9.990%	20 years starting <u>after</u> your first payment	20-years term: \$23,140.60

About this example

Repayment example 1 assumes you are in school for 2 years before the loan term begins. You must request deferral and provide the required paperwork to qualify. Repayment example 2 assumes you immediately begin making payments of principal and interest when the loan is disbursed. 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. Information about repayment deferral options is available in your Promissory Note, on DiscoverStudentLoans.com, or by calling us at 1-800-STUDENT.

Federal Loan Alternative

You may qualify for a Direct Consolidation Loan.

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

- 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%.

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).

REFERENCE NOTES

Fixed Interest Rate

- This loan has a fixed interest rate.
- The rate will not change during the term of the loan.
- For more information about interest rates, please visit: DiscoverStudentLoans.com/Rates.
- Rates are typically higher without a cosigner.

Loan Disbursement

- Loan servicers will be paid directly on your behalf.

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)

Borrower Eligibility Criteria

- 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.

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.

Private Consolidation Iowa Disclosure

A. REPAYMENT OF LOAN INFORMATION

Repayment of your loan will begin immediately after loan disbursement.

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

B. 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).

C. 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

D. 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

