

Student Freedom Fund, LLC
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Loan Interest Rate & Fees

Your **interest rate** will be

6.890%

After the rate is set, your rate will be fixed.

Your Interest Rate (upon approval)

The interest rate on a Student Freedom Loan Agreement is 6.890%. The rate is not based on your credit history or the repayment term. If approved, your rate will be 6.890%.

Your Interest Rate (during the life of the loan)

Your rate is fixed and will remain fixed for the life of the loan. This means that once your rate is determined, the rate will not change. For more information on this rate, see Reference Notes.

The rate will be fixed for the life of the loan.

Loan Fees

Origination Fee: \$0.00

Late Charges: \$0.00

Returned Payment Charge: \$0.00

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

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) repayment options available to you while enrolled in school.

Repayment Option	Amount Provided (amount paid to others on your behalf)	Interest Rate (highest possible rate)	Loan Term (how long you have to pay off the loan)	Total Paid Over Entire Loan Term (includes associated fees)
DEFER PAYMENTS Make no payments during your In-School Period and Grace Period. Interest will accrue and unpaid accrued interest will be added to your Interest Balance. ¹	\$10,000.00	6.890%	15 years beginning <u>after</u> the deferment period	\$16,919.46
PAY ONLY THE INTEREST Make interest payments but defer payments on the principal amount during your In-School Period and Grace Period.	\$10,000.00	6.890%	15 years beginning <u>after</u> the deferment period	\$16,305.32
MAKE FULL PAYMENTS Make principal and interest payments and start your Repayment Period.	\$10,000.00	6.890%	15 years beginning <u>after</u> the final disbursement	\$14,469.80

About this example

Assumptions: This example assumes that (a) you receive \$10,000 in Total Loan Amount in a single disbursement; (b) you remain enrolled in school three (3) years after you receive your disbursement from us; (c) you have a six (6) month Grace Period; and (d) repayment under "Make Full Payments" begins once loan is fully disbursed. The numbers in the table represent the scenarios in which you select one repayment option and do not make any further changes.

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¹Capitalized words are defined in the Student Freedom Loan Agreement.

Federal Loan Alternatives

Loan Program	Current Interest Rates
PERKINS for Students	N/A program discontinued
STAFFORD for Students	6.390% fixed Undergraduate subsidized & unsubsidized
	7.940% fixed Graduate
PLUS for Parents and Graduate/ Professional Students	8.940% fixed

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. To Apply for this Loan, Complete the Application and the Self-Certification Form.

You may get the certification form from your school's financial aid office. 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). The interest rate on this loan is fixed and will not change.

REFERENCE NOTES

Fixed Interest Rate

- This loan has a fixed interest rate.

Eligibility Criteria

- FAFSA.** You have completed a FAFSA or acceptable alternative state aid application that is accepted and approved by your school;
- SSN.** You have a valid Social Security Number;
- US-Based.** You are not an international student or foreign exchange student authorized to enter the United States on a non-immigrant visa;
- Age.** You must be of majority age or older in the state where your school is located at the time you apply or sign this Agreement;
- Year.** You must be a sophomore, junior or senior at your school during the School Year;
- Eligible Academic Study.** You must be working towards a degree in an Eligible Major or a certificate in an Eligible Certificate Program. "Eligible Major" means a major or concentration in a bachelor's degree program at your school that has been approved by your school and us as one that qualifies students to receive funding under our Student Freedom Loan Agreement. You can find a list of Eligible Majors for your school at the Student Freedom Fund website at <https://studentfreedominitiative.org>. "Eligible STEM Certificate Program" means a certificate program in science, technology, engineering or math-related subjects at your school that has been approved by your school and us as one that qualifies students to receive funding under our Student Freedom Loan Agreement. You can find a list of Eligible STEM Certificate Programs at our website at <https://studentfreedominitiative.org>;
- Enrollment.** You are enrolled full-time, or at least half-time, for the coming academic term, as certified by your school;
- Progress.** You are meeting Satisfactory Academic Progress as defined by your school; and
- Minimum.** You need at least \$5,000 to fill the funding gap between your Government and School Aid and your Cost of Attendance for the School Year.

School Disbursement

- Your school would receive the funds, credit your school account, and forward any remaining amount to you in the same way it handles your other financial aid.
- If you are obtaining a loan from Student Freedom Fund exclusively for an Eligible STEM Certificate Program, you can only spend the remaining amount from your loan (if any) on the direct course expenses of the Eligible Stem Certificate Program, including books and equipment.

Timeline of Agreement If You Choose Deferred Payments

- There will be an In-School Period, during which you will not owe any payments and interest will accrue, and you will not be required to make payments.
- Then there will be a Grace Period – which is the six (6) month period immediately after the In-School Period – during which you will not owe any payments and interest will accrue, and you will not be required to make payments.
- During the Repayment Period – which starts the day after your Grace Period and ends on the Termination Date – you will owe us and make payments of principal and interest. The Repayment Period is 15 years.

Timeline of Agreement If You Choose Interest Only Payments

- There will be an In-School Period, during which you will not owe any payments of principal, and you will be required to make payments that cover interest.
- Then there will be a Grace Period – which is the six (6) month period immediately after the In-School Period – during which you will not owe any payments of principal, and you will be required to make payments that cover interest.
- During the Repayment Period – which starts the day after your Grace Period and ends on the Termination Date – you will owe us and make payments of principal and interest. The Repayment Period is 15 years.

Timeline of Agreement If You Choose Principal and Interest Payments

- Once you elect to make principal and interest payments, you will enter your Repayment Period. During your Repayment Period, you will be obligated to make Regular Monthly Payments.
- The Repayment Period will be 15 years.

You have the right to defer all of your payments until the end of your In-School Period and Grace Period. However, if you chose to not defer, but instead to set up a payment plan with us before your In-School Period and Grace Period, we are obligated to treat any failure to make such payments under that payment plan as a default under the Agreement. However, during your In-School Period and Grace Period, you are eligible to request a modification of your loan. Please contact us for more information.

Termination Date

- The Agreement ends on the Termination Date which is the earliest of the following to occur:
 - ◊ Your Loan Balance is \$0, because it is paid off;
 - ◊ Your Loan Balance is \$0, because we Forgive Your Debt;
 - ◊ We cancel this Agreement before any Disbursement is made;
 - ◊ You refund the Total Loan Amount and pay the accrued interest to us before the start of your Repayment Period

Forbearance and Debt Forgiveness

- The Agreement contains two tools to temporarily suspend your obligation to make your monthly payments. If you have income but would like to suspend making payments for a period of time, you may be able to do so through a mechanism we call "Elective Forbearance." If your income is below a certain threshold, we have a separate mechanism that will allow you to temporarily suspend your payments in months where you qualify. We call this the "Low Income Forbearance." There are certain steps that you must take to qualify for these forbearance programs. These programs have no additional cost and are included as part of the Agreement. Please review your contract carefully to understand the features, qualifications, and restrictions associated with the forbearance programs.
- The Agreement also contains a feature we call "Low Income Debt Forgiveness." If you provide documentation and meet the qualification requirements, you may receive debt cancellation for a portion of your obligation under your Agreement after five years of having income below a certain threshold. This feature has no additional cost and is included as part of the Agreement. Please review your Agreement carefully to understand the features, qualifications, and restrictions associated with the Low Income Debt Forgiveness feature.

Bankruptcy Limitations

- We are required by law to provide you with the following statement: if your file for bankruptcy, you may still be required to pay back all amounts owing under this Agreement. However, we do not intend to enforce our rights under the United States Bankruptcy Code in this way and we will at no time assert that this Agreement is non-dischargeable in bankruptcy as set forth in 11 U.S.C. § 523(a)(8) or such other law that may, in the future, limit the dischargeability of the Student Freedom Loan Agreement where such limitation on dischargeability is based upon the use of the Student Freedom Loan Agreement for educational expenses.

Prepayments

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

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Military Service

- Under the Servicemembers Civil Relief Act, an obligation, liability or certain loan products bearing interest incurred by a Servicemember, alone or with their spouse, before the Servicemember enters Military Service cannot bear interest at more than 6% during a Period of Military Service. If these laws apply to you, we will adjust your interest rate to no more than six percent (6%) and will charge that 6% rate for the duration of your Military Service and for the year after if applicable.
- The Military Lending Act provides protections to certain members of the Armed Forces and their dependents (“Covered Borrowers”). The provisions of this section apply to Covered Borrowers. Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. 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: 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). The Arbitration Agreement does not apply to you if you are a Covered Borrower as of the date of this Agreement or any renewal.

To hear more information about special protections that may apply to Installment Agreement under the Military Lending Act or to hear a copy of this disclosure, please call the following toll-free number: 1-800-213-5794.

More information about loan eligibility and repayment deferral or forbearance options is available in your Student Freedom Loan 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; 804-786-2832. In addition, resources for prospective and current private education loan borrowers are available online at schev.edu/privateloan.