

Loan Interest Rate & Fees

Your **starting interest rate** will be between

3.750%

and

11.500%

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 based on your credit history and other factors (presence of a co-signer, co-signer 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 One-Month LIBOR Rate (as published in *The Wall Street Journal*). For more information on this rate, see the reference notes.

The rate will vary after you are approved and there is no limit on the amount the interest rate can increase.

Loan Fees

Late Fee: 5% of the monthly payment if not made on or before the 10th day after its due date.

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 (while enrolled in school)	Amount Provided (amount provided directly to you or your school)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid over 180 months (includes associated fees)
1. DEFER PAYMENTS Make no payments while enrolled in school. Interest will be charged and added to your loan.	\$10,000.00	11.500%	180 months starting after the deferment period	\$31,461.71
2. PAY ONLY THE INTEREST Make interest payments but defer payments on the principal amount while enrolled in school.	\$10,000.00	11.500%	180 months starting after the deferment period	\$26,017.29
3. MAKE FULL PAYMENTS Pay both principal and interest amounts while enrolled in school.	\$10,000.00	11.500%	180 months starting after your first payment	\$21,130.15

About this example

The repayment example assumes that you remain in school for 45 months and have a 6 month grace period before entering repayment. It is based upon the highest starting rate currently charged.

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Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type
PERKINS for Students	5% fixed
STAFFORD for Students	4.5% fixed Undergraduate subsidized
	6.8% fixed Undergraduate unsubsidized & Graduate
PLUS for Parents and Graduate/Professional Students	7.9% fixed

You may qualify for Federal education loans.

For additional information, **contact your school's financial aid office or the Department of Education at:**

www.federalstudentaid.ed.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 web site at: www.federalstudentaid.ed.gov for more information about other loans.

2. To Apply for this Loan, Complete the Application and the Applicant 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 and the variable interest rate may change based on the market).

REFERENCE NOTES

Variable Interest Rate

- This loan has a variable interest rate that is based on the One-Month London Interbank Offered Rate (LIBOR) Index which is published in the "Money Rates" section of *The Wall Street Journal* (Eastern Edition) and will be equal to the LIBOR rate published on the 25th day (or if such 25th day is not a business day, the next business day thereafter) of the month immediately preceding such calendar month, rounded up to the nearest one-eighth of one percent (0.125%).
- Your rate will be calculated each month by adding your margin (which can range from 3.500% to 11.250% depending upon your or your co-signer's credit history) to the current One-Month LIBOR Index.
- The rate will not increase more than once per month, but there is no limit on the amount that the rate could increase at one time.

Eligibility Criteria

Borrower:

- Must be enrolled at an eligible school at least half-time.
- Borrower must be the legal age of majority or at least 17 years of age with a co-signer who is legal age of majority. All co-signers must be the legal age of majority. Age of majority is determined by your state of permanent residence:
 - 18 years of age in most states.
 - 19 years of age in Alabama and Nebraska.
 - 21 years of age in Mississippi and Puerto Rico.
- Rates are typically higher without a co-signer.

Co-signer:

- Rates are typically higher without a co-signer.
- All co-signers must be the legal age of majority. Age of majority is determined by your state of permanent residence:
 - 18 years of age in most states.
 - 19 years of age in Alabama and Nebraska.
 - 21 years of age in Mississippi and Puerto Rico.

Bankruptcy Limitations

- If you (borrower or co-signer) file for bankruptcy, you may still be required to pay back this loan.

ADDITIONAL IOWA STUDENT LOAN DISCLOSURES

A. Co-signer Requirements

A co-signer is required for this student loan if you do not meet our credit requirements on your own, for example, credit history, income and/or employment requirements.

B. Repayment of Loan Information

Immediate Repayment - Repayment of principal and interest begins thirty (30) to sixty (60) days after the final disbursement date.

Interest Only (Deferred Principal) - Interest payments begin thirty (30) to sixty (60) days after the first disbursement date, and principal and interest payments begin six (6) months after the earliest of the date of graduation or the date that the student ceases to be enrolled at least half-time, but no more than five and one half (5½) years after the first disbursement date.

Deferred Principal and Interest - Repayment of principal and interest begins six (6) months after the earliest of the date of graduation or the date that the student ceases to be enrolled at least half-time, but no more than five and one half (5½) years after the first disbursement date.

You can prepay your loan in whole or 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. 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 write to: AES Loan Origination, P.O. Box 2165, Harrisburg, PA 17105-2165.

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. 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 include:

- Lender may report the late payment history to credit reporting agencies, which will adversely affect your credit rating and ability to get more credit
- Interest will continue to accrue on the outstanding principal balance
- Lender may take legal action
- Borrower may become ineligible for further loans from the lender
- Full amount of the loan may become due immediately

E. Lender Contact Information

SunTrust Bank
P.O. Box 2165
Harrisburg, PA 17105-2165
1-866-763-6350
aessuntr@aessuccess.org
www.suntrustededucation.com