BORROWER: [Borrower Name] [Borrower Address]

CREDITOR:

[Creditor Name] [Creditor Address]

Loan Rates & Estimated Total Costs

Total Loan Amount	Interest Rate	Finance Charge	Total of Payments
The total amount you are	Your current interest rate.	The estimated dollar amount	The estimated amount you
borrowing.		the credit will cost you.	will have paid when you have made all payments.

ITEMIZATION OF AMOUNT FINANCED

Amount paid to you	[Amount]
Amount paid to others on your Behalf: [Institution Name]	+ [Amount]
Amount Financed [Description]	= [Amount]
Initial finance charges (total) • [Charge Type], [Amount] • [Charge Type], [Amount]	+ [Amount]
Total Loan Amount	=
	[Amount]

ABOUT YOUR INTEREST RATE

- 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 [Index] Rate (as published in the [source of index]). For more information on this rate, see reference notes.
- Although your rate will vary, **it will never exceed [maximum interest rate]** (the maximum allowable [by law] for this loan).
- Your **Annual Percentage Rate (APR) is [Rate]**. The APR is typically different than the Interest Rate since it considers fees and reflects the cost of your loan as a yearly rate. For more information about the APR, see reference notes.

FEES

• [Itemization of Fees, if applicable]

Estimated Repayment Schedule & Terms

	[PAYMENT PERIOD, e.g. MONTHLY PAYMENTS]		
[LOAN TERM]	at [Interest Rate]% the current interest rate of your loan	at [Maximum Rate]% the maximum interest rate pos- sible for your loan	 The estimated Total of Payments at the Maximum Rate of Interest would be
[Dates of Deferment Period, if applicable] deferment period	No payment required ([Amount of accrued interest] inter- est will accrue during this time)	No payment required (Interest will accrue during this time)	[Total Payment Amount].
[Payment Due Dates] [number of monthly payments] monthly payments	[Payment Amount]	[Payment Amount]	
[Payment Due Dates] [number of monthly payments] monthly payments	[Payment Amount]	[Payment Amount]	

Federal Loan Alternatives

Loan program	Current Interest Rates by Program Type		
PERKINS for Students	[Rate] fixed		
STAFFORD	[Rate] fixed	Undergraduate subsidized	
for Students	[Rate] fixed	Undergraduate unsubsidized & Graduate	
PLUS for Parents and Graduate / Professional Students	[Rate] fixed	Federal Family Education Loan	
	[Rate] fixed	Federal Direct Loan	

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 & Terms of Acceptance

This offer is good until:

[Date of Acceptance Deadline] 1. Find Out About Other Loan Options.

Contact your school's financial aid office for more information.

2. You Have Until [Date of Acceptance Deadline] to Accept this Offer

The terms of this offer will not change except as permitted by law and the variable interest rate may change based on the market.

To Accept the Terms of this loan,

[Description of method of acceptance]

REFERENCE NOTES

Variable Interest Rate:

- Your loan has a variable Interest Rate that is based on a publicly available index, the [Index Name], which is currently [Rate]. Your rate is calculated each month by adding a margin of [Margin Rate] to the [Index].
- The Interest Rate may be higher or lower than your Annual Percentage Rate (APR) because the APR considers certain fees you pay to obtain this loan, the Interest Rate, and whether you defer (postpone) payments while in school.
- [Description of effect of an increase]

Bankruptcy Limitations

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

Repayment Options:

• [Description of deferment options, if applicable]

Prepayments:

• [Prepayment disclosure]

Security

You are giving a security interest in [description, if applicable]

See your loan agreement for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.