

Smart Option Student Loan

PROMISSORY NOTE 3SCL2104/3SOL2104

This is a loan for study.

Key terms are defined throughout this Promissory Note ("Note") or in the Definitions on page 7. Read all your loan documents, including Definitions on page 7, Federal and State Notices on page 8, and Arbitration Agreement beginning on page 10, before signing this Note.

LENDER: Sallie Mae Bank

Salt Lake City, UT

This Note sets forth the terms of your loan. The Final Disclosure ("Disclosure") that we will send you before any funds are disbursed will also be part of this Note. Keep a copy for your records. Our contact information is on page 6.

WHEN BOUND

You have a right to cancel as explained in the Disclosure. We do not agree to make a loan to you on these terms until your right to cancel has expired. You agree to these terms if you do not cancel by following the instructions in the Disclosure. You may, however, reject the Arbitration Agreement, as explained on page 10.

PROMISE TO PAY

You promise to pay us (1) the amount we lend you, (2) the interest and fees that accrue on that amount or on any Capitalized amount, and (3) if you default, reasonable attorneys' fees, collection agency fees, court costs, and other collection costs, unless prohibited by law.

YOUR LOAN

Educational Expenses

You agree that your loan will be used solely to pay qualified higher education expenses of Student at the School. You acknowledge and authorize that your loan amount proceeds may be transmitted directly to the School.

Borrower and Cosigner

If your loan has a borrower and a cosigner:

- each of you is liable individually and jointly for this loan,
- the release of liability of one of you does not affect the liability of the other,
- we may sue either of you to collect on this loan, in any order we wish, without losing our right to collect from the other, and
- any communication we have with either of you will be binding on both of you, any notice we mail to an address provided by either of you will serve as notice to both of you, and any modification we agree to with either of you will be binding on both of you.

INTEREST

- The Disclosure will tell you if you have a Fixed Rate or a Variable Rate.
- Interest will accrue at that Fixed Rate or Variable Rate on the Current Principal, including Capitalized amounts, beginning on the First Disbursement Date (the date shown on the loan check or the date the loan funds are electronically transmitted to the school) and continuing until the loan is paid in full.
- If your loan has a Fixed Rate, then the interest rate will be specified in the Disclosure. If your loan has a Variable Rate, then the interest rate will be determined by adding the number of percentage points we specify on the Disclosure (the "margin") to an index that is calculated and provided to the general public by an administrator. The index is a benchmark, known as the 30-day average Secured Overnight Financing Rate ("SOFR") (the "index") rounded up to the nearest one-eighth of one percent (0.125%). The administrator for SOFR is the Federal Reserve Bank of New York ("FRBNY") or any entity designated or selected by the FRBNY.
- A Variable Rate may go up or down due to an increase or decrease in the loan's index but will never be less than the margin even if the index is less than zero percent. A Fixed Rate stays the same for the life of the loan.
- Rate changes take place on the 25th of each month or the next New York business day (the "Change Date") using the index reported at least two New York business days prior to the Change Date. We use the index published by the FRBNY or any entity designated or selected by the FRBNY.
- Any of the following shall be considered a Replacement Event : (i) if the administrator or its agent permanently or indefinitely stops or imminently will be permanently or indefinitely stopping providing the index to the general public; (ii) if the administrator or its regulator or a U.S. federal banking agency with regulatory authority over us issues an official public statement that the index is or imminently will be no longer reliable or representative; (iii) if the index ceases to be produced or readily available; (iv) if, in our sole reasonable determination, which shall be made in good faith and may be informed by U.S. federal banking agency regulatory guidance, the methodology used to produce the index materially changes or (v) if, in our sole reasonable determination, which shall be made in good faith and may be informed by U.S. federal banking agency regulatory guidance, the index's continued use would be

unfair, deceptive or otherwise inappropriate or potentially harmful to the borrower(s). In determining materiality, we may look at, among other things, changes in how the index is calculated, changes in the information that is used to make the calculations, marketplace reaction to any changes and regulatory guidance regarding any changes. For example, in the case of an index such as the 30-day average SOFR, we may consider the following factor, among others: any position(s) taken by any U.S. money center bank or by any U.S. federal banking agency with regard to any change(s) in the methodology used to produce the index or replacement index and with regard to continued use of the index or replacement index for determining the rates assessed on consumer loans.

Upon the occurrence of a Replacement Event, we will select a replacement index as follows:

- (i) If, at the time of a Replacement Event, a replacement index has been selected or recommended for use in consumer products, including but not exclusive to private student or educational loans, by the Board of Governors of the Federal Reserve System, the FRBNY, a committee endorsed or convened by the Board of Governors of the Federal Reserve System or the FRBNY or a U.S. federal banking agency with regulatory authority over us, we will select that index as the replacement index.
- (ii) If a replacement index has not been selected or recommended for use in consumer products at the time of a Replacement Event, as set forth in the immediately preceding subparagraph (i), we will make reasonable good faith efforts to select, in our sole discretion, which may be informed by U.S. federal banking regulatory guidance, a replacement index that is readily available and that we, at the time of selection of the replacement index, reasonably expect, among other things: (1) will conform to nationally and internationally accepted criteria of methodological quality and governance, such as but not exclusive to those promoted by the Alternative Reference Rates Committee of the FRBNY and the International Organization of Securities Commissions, applicable to potential replacement indexes and (2) will minimize any change in the cost of the loan, taking into account the historical performance, if publicly available, of the index and replacement index.
- Notwithstanding anything to the contrary herein, in the event the administrator publishes or causes to be published or selects or recommends for use in consumer products, a 30-day or one month term version of SOFR, or one or more term versions of SOFR, we shall have the discretion but not the obligation to replace the current index with a term version of the index that at the time of such replacement we reasonably expect, among other things, will minimize any change in the cost of the loan.
- We may also modify the margin, including but not exclusive to increasing the margin, in order to render the new interest rate, calculated as the replacement margin plus the replacement index, substantially comparable to the interest rate that would have been calculated using the prior margin plus the prior index. The new Variable Rate will fluctuate with the replacement index on the Change Date. If we take these actions, we will notify you at least 30 days prior to implementing any replacement index(s) or margin(s). To the extent that we implement any replacement index(s), the definition of "index" as used in this Note shall mean any such replacement index(s).

FEES

Late Fee	You will pay a Late Fee if you do not pay the Current Amount Due (and Past Due Amount, if any) within 15 days after the Current Amount Due Date. The amount of the Late Fee will be identified on the Disclosure.
Returned Check Fee	You will pay a Returned Check Fee for each payment you make that is returned or refused. The amount of the Returned Check Fee will be identified on the Disclosure. You will pay the Returned Check Fee even if your payment is not in the form of a check.
Fees for Optional Services	You will pay a fee, which we will disclose to you in advance for any optional service we agree to provide. Such services may include, among other things, expediting payments and delivering documents by express courier.

MAKING PAYMENTS

Payment Instructions	<ul style="list-style-type: none">• You must pay us in U.S. dollars with no deduction for currency exchange. All payments must be drawn on funds on deposit in the U.S.• You must pay the Current Amount Due by the Current Amount Due Date each month and any Past Due Amount immediately even if we fail to tell you that you have a Past Due Amount, you fail to receive a billing statement, or any automatic debit fails.
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Repayment Schedule	<ul style="list-style-type: none"> • The Disclosure will have the Estimated Repayment Schedule & Terms ("Estimated Repayment Schedule") for your loan, which includes the estimated Current Amount Due you will be required to pay each month (these estimates are referred to as Monthly Payments in the Estimated Repayment Schedule). • The Estimated Repayment Schedule will assume that the interest rate does not change, that Student graduates on time or has already graduated, and that you pay the Current Amount Due by the Current Amount Due Date each month. • The Current Amount Due you will be required to pay each month may differ from the amounts shown in the Estimated Repayment Schedule. This could happen if, for example, Student fails to meet enrollment requirements (contact us for details), leaves school earlier or later than anticipated, you do not pay the Current Amount Due on the Current Amount Due Date each month, your interest rate changes, or your payments are ever postponed or modified. • When the Interim Period (if applicable) ends, the Current Amount Due you will be required to pay each month will increase and consist of principal and interest payments. Beginning at that time, the Current Amount Due you will be required to pay each month can never be less than \$50 per month or the Current Balance, whichever is less. • We may send you a billing statement each month showing the Current Amount Due and Current Amount Due Date. Your billing statement may reflect information for multiple loans if you have more than one loan being serviced by us. This information may also be available online.
Graduated Repayment Period ("GRP")	<ul style="list-style-type: none"> • GRP is available if your loan was used to pay qualified higher education expenses at a degree-granting institution. • You may request GRP only during the six billing periods immediately preceding and the twelve billing periods immediately after the end of the Interim Period. • At the time of your request, this loan must be current. • If we, in our sole discretion, permit GRP, the Current Amount Due you will be required to pay each month during the 12-month GRP will consist of interest-only payments. • If you are granted Deferment or Forbearance at any time during the 12-month GRP, you will forfeit your remaining months of eligibility. (See "POSTPONING PAYMENTS" section below for more information on Deferment and Forbearance.) • GRP does not extend the loan term and causes the Current Amount Due you will be required to pay each month after the GRP to be higher than it otherwise would have been without the GRP. The Total Loan Cost also increases. • If we grant your request, we will notify you in writing of your new repayment terms.
Late Payments, Partial Payments, Payments in Full	<ul style="list-style-type: none"> • We can accept late payments, partial payments or payments marked "payment in full" or with any other restrictive endorsement without losing any of our rights under this Note. • If you want to make a payment in satisfaction of a disputed amount or balance, send it to Sallie Mae, P.O. Box 3228, Wilmington, DE 19804-0228 with a written explanation.
Right to Prepay and Pay Ahead Feature	<ul style="list-style-type: none"> • You may pay all or any part of your loan at any time without penalty, but you will not be entitled to a refund of any fees. • If you prepay any part of your loan, the amount you pay will be applied first to Unpaid Fees and costs, then to Unpaid Interest, and then to Current Principal. • Any payment in excess of the Current Amount Due (and any Past Due Amount) will reduce the Current Amount Due you will be required to pay in the following month(s). This pay ahead feature will apply to this loan unless you contact us to request we suspend this feature from this loan.
How We Allocate and Apply Payments	<ul style="list-style-type: none"> • If you have more than one loan and your payment is received with the remittance slip on your billing statement, we will automatically allocate your payment to all of the loans in that Loan Group as follows: <ul style="list-style-type: none"> ◦ If your payment satisfies both the Past Due Amount and Current Amount Due, the remaining payment amount will be allocated to the loan with the highest interest rate. If you have multiple loans with the same interest rate, the remaining payment amount will be allocated to the loan with the highest Current Balance. If no payment is due, your payment will be allocated to the loan with the highest interest rate. If you have multiple loans with the same interest rate, the payment amount will be allocated to the loan with the highest Current Balance. ◦ If your payment is less than the Past Due Amount, loans at the oldest delinquency level will be paid first until all loans are at the same delinquency level. Once all of the loans are at the same delinquency level, the remaining payment amount will be allocated according to each loan's Past Due Amount from lowest to highest within that group delinquency level. If your payment satisfies the Past Due Amount, the remaining payment amount will be allocated according to each loan's Current Amount Due from lowest to highest. • If your payment is received without a remittance slip or instructions, we may review any information available to us to allocate and/or apply the payment. • We reserve the right to change our Payment Allocation method, but we will provide notice to you if we do so. • Payment Application: we apply payments to this loan first to Unpaid Fees and costs, then to Unpaid Interest, and then to Current Principal. • More information about how we allocate and apply payments can be found either on your billing statement, at SallieMae.com, or by contacting the loan servicer.

Failure to Complete or Dissatisfaction with Education Program	<p>Except as provided in this Note, you must repay this loan even if:</p> <ul style="list-style-type: none"> • Student does not complete the educational program paid for with this loan, • Student cannot obtain employment, or • You are dissatisfied with the educational program paid for with this loan. <p>We do not vouch for or warrant the quality or suitability of any educational program.</p>
School Refunds	<p>You authorize the School and any third party acting for the School to pay us any refund for any loan amounts that exceed the educational expenses of Student and any other refund that may be due to you. We will credit any such refunds to the Current Balance without changing the Current Amount Due Date.</p>
POSTPONING PAYMENTS	
General Terms for Deferment, Hardship Forbearance, and In-School Payment Assistance	<p>Contact us to request a Deferment, Hardship Forbearance, or In-School Payment Assistance.</p> <ul style="list-style-type: none"> • We may approve or deny any request, in our sole discretion. • You must continue to pay the Current Amount Due by the Current Amount Due Date each month while we process your request. • If we approve your request, we will tell you how long we will postpone or reduce payments, as applicable, and whether you have to make any other payments in the meantime. • We will tell you if any amounts will be Capitalized.
Deferment	<p>During any period when your loan requires principal and interest payments, you can ask us to postpone or reduce payments due if the Student returns to school at least half time or enrolls in a residency or internship ("Deferment"). If your Deferment request is granted, the Current Amount Due you will be required to pay each month during the Deferment period will reflect the same repayment option that applied to your loan during the Interim Period. We may also postpone or reduce your payments, even if you have not asked us to do so, if Student returns to school at least half time.</p>
Forbearance	<p>During any period when your loan requires principal and interest payments, you can ask us to postpone payments due if you experience a temporary inability to make payments ("Hardship Forbearance"). We may require you to make a good faith payment to obtain a Hardship Forbearance (even if your request is not granted), but we will tell you in advance if we do. We may also postpone payments at our discretion due to special circumstances, including but not limited to your military service, natural disasters, or administrative purposes.</p>
In-School Payment Assistance	<p>You can ask us to postpone payments due during the Interim Period ("In-School Payment Assistance"), provided that during any period when your loan requires principal and interest payments, you are not eligible for In-School Payment Assistance.</p>
WAIVING PAYMENTS	
	<p>You or Student's representative can ask us to waive the Current Balance of this loan if Student (but not anyone else) dies or becomes totally and permanently disabled. Totally and permanently disabled means the inability to work in any occupation due to a condition that is expected to be permanent and that began or deteriorated after the date of the Disclosure. Contact us to make a request.</p> <ul style="list-style-type: none"> • You or Student's representative must provide a death certificate (death) or a physician's statement (disability) and such other information or documentation as we require. • If Student dies, we will not require you to pay the Current Amount Due by the Current Amount Due Date each month from the time we receive your request to the time we receive and process the documents we require or until we reasonably determine the documents we require will not be provided. • If Student becomes totally and permanently disabled, we will send you a waiver application. We will not require you to pay the Current Amount Due by the Current Amount Due Date each month from the time that we receive the completed waiver application to the time we make a final decision. • If we deny your request, you will have to resume paying the Current Amount Due by the Current Amount Due Date each month. • If we grant your request, you or Student's estate must pay us any refund received from the School up to the Current Balance. If you do not do so, we may declare your loan in default and collect the refund plus Unpaid Fees, Unpaid Interest and costs from you or Student's estate.
OUR RIGHT TO CANCEL	
Our Right to Cancel This Note	<p>We can cancel this Note and all disbursements without telling you in advance if the Disclosure is returned as undeliverable, Student does not attend the School, or we reasonably conclude that you no longer need the loan.</p>

Our Right to Cancel Any Future Disbursement	<p>We can cancel any future disbursement without telling you in advance if:</p> <ul style="list-style-type: none"> • Student fails to meet enrollment requirements, • you fail to comply with the terms of this Note, • you make any false statement when you apply for this loan or at any time afterwards, • you fail to pay the Current Amount Due by the Current Amount Due Date on this or any other loans owned or serviced by us, • you tell us that you no longer need the loan or no longer wish to repay any amount not yet disbursed, • the classes in which Student has enrolled have been canceled or delayed, • you file for bankruptcy, • the School ceases to be eligible to participate in this Loan Program, or • we grant you a Hardship Forbearance. <p>Contact us if you have any questions about Student enrollment requirements or school eligibility requirements.</p>
OTHER IMPORTANT INFORMATION	
Jury Trial Waiver	<p>You acknowledge that the right to trial by jury is a constitutional right but may be waived in certain circumstances. To the extent permitted by law, you knowingly and voluntarily waive any right to trial by jury in the event of litigation arising out of or related to this Note. This jury trial waiver shall not affect or be interpreted as modifying in any fashion the Arbitration Agreement below, which has its own separate jury trial waiver. This waiver does not apply if you are a covered borrower under the Military Lending Act at the time this loan is originated.</p>
Conflict Between Note and Disclosure	<p>If there is a conflict between the terms of the Disclosure and the terms of this Note, the terms of the Disclosure shall apply with respect to items required to be disclosed under federal law.</p>
Modifications and Correction of Errors	<ul style="list-style-type: none"> • We may modify this Note if jointly agreed upon in writing by either the borrower or cosigner and us. Such modifications may include, but are not limited to, an agreement to increase the Total Loan Amount provided in the Disclosure after your right to cancel has expired. We may also unilaterally modify this Note to implement a replacement index(s) and/or a replacement margin(s) as provided in the section entitled "Interest" in this Note. We will notify you if these modifications occur. The modification of any part of the Note will not affect the validity or enforceability of the rest of the Note. • We may modify the Disclosure, without sending you a new one or giving you a new right to cancel, if we modify the margin in conjunction with implementing a replacement index as provided in the section entitled "Interest" in this Note or if permitted by law, which we are allowed to do if the change is unequivocally beneficial to you or if we reduce the loan amount based on information we receive from you or the School. • We may correct errors in the names or addresses in any of the loan documents. We do not need your consent or signature to do so. We will notify you if that happens. • You will cooperate with us to correct any other typographical, computer, calculation or clerical errors in any of the loan documents. However, we do not need your consent or signature to do so. We will send you a copy of the revised document.
Default	<p>We may declare your loan in default if:</p> <ul style="list-style-type: none"> • you fail to comply with the terms of this Note, and that includes failing to pay the Current Amount Due by the Current Amount Due Date, or • any false statement is made when you apply for this loan or at any time afterwards. <p>If this loan is in default, then after we provide you with any required notices and cure periods, we may declare the Current Balance immediately due and payable.</p> <p><u>Idaho, Iowa, Kansas, Maine and South Carolina Residents Only:</u> You will be in default if you fail to make a payment as required by this Note (or within 10 days of the time required by this Note, for Iowa residents) or if the prospect of your payment or performance is significantly impaired (for Iowa residents, if, following an event of default, the prospect of your payment is materially impaired). We have the burden of establishing the prospect of such impairment.</p> <p><u>Wisconsin Residents Only:</u> You will be in default (a) if you permit to be outstanding an amount exceeding one full payment which has remained unpaid for more than 10 days after its scheduled due date or deferred due date, or if you fail to pay the first payment or last payment within 40 days of its scheduled due date or deferred due date or (b) if you fail to observe any other provision of this Note, the breach of which materially impairs your ability to pay the amounts due under the Note.</p>
Signatures and Photocopy of Note	<p>Your signature on your loan application is binding even if you only send us a photocopy, facsimile, electronic, or other copy of the signature page. A photocopy, facsimile, electronic, or other copy of this Note is just as binding on you as the original.</p>
Bankruptcy	<p>This loan may not be dischargeable in bankruptcy. Any communication about any bankruptcy must be in writing, include your loan number, and be sent to our contact address listed under CONTACT US below.</p>

Collection Costs	Unless prohibited by law, we may charge you all amounts, including reasonable attorneys' fees, collection agency fees, court costs (including fees and costs in an appellate or bankruptcy proceeding) and other collection costs that we incur in enforcing the terms of this Note.
Privacy	<ul style="list-style-type: none"> • The School and any custodian of its records may certify Student's eligibility for this loan and may release to us any information we request that is pertinent to this loan. • We may check your credit, employment and income records, and request and receive from others credit-related information about you, for this loan, and any reviews, updates, extensions or other modifications of this loan. • You consent to our sharing credit and other information about you with credit reporting agencies, the School, other schools Student attends or has attended and their agents, any subsequent holder of this Note, anyone who referred you to us, anyone who you notify us is eligible to receive information about this loan, and anyone as necessary to originate this loan or to service this loan or to fulfill and administer benefits offered with this loan, as permitted by law. If your loan has a borrower and a cosigner, you consent to our sharing credit and other information about one of you with the other. • We may contact any references or personal contacts that you provide to us to enforce your obligations under this Note, as permitted by law. • We will provide you privacy and affiliate-sharing notices to advise you of your rights under applicable law.
Our Communications with You	<p>You expressly consent and authorize us to contact you at any email address that you provide in the loan application or that you provide to us in the future regarding your current or future loan applications and loans that we own or service.</p> <p>You expressly consent and authorize us and our subsidiaries, affiliates and agents, to contact you at any phone number that you provide to us, in the application or otherwise, now or in the future, or any number you have previously provided to us, using an auto dialer, pre-recorded messages, or text messages, in order to provide alerts and other information regarding your current or future applications and accounts for all products you have or may have with us. Message and data rates may apply.</p>
Governing Law and Statute of Limitations	The Lender is located in the State listed for the Lender on page 1 in the introductory paragraph of this Note and this Note will be entered into in the same State. Consequently, the provisions of this Note will be governed by federal laws and the laws of that State to the extent not preempted, without regard to conflict of law rules. However, the applicable statute of limitations period for all purposes under this Note (including the right to collect a debt) will be the longer period provided by the law of the State where the Lender is located or the jurisdiction where you live.
Severability	<p>This Note is the final expression of the agreement between you and us and it may not be contradicted by evidence of an alleged oral agreement.</p> <p>If in any proceeding in which a law that applies to this loan is finally interpreted so that</p> <ul style="list-style-type: none"> • any part of this Note is found to be invalid, then the rest of it will still remain in effect. • any part of this Note that authorizes interest, fees, or costs is found to be invalid, then (1) the amounts authorized will be reduced to the maximum permitted amounts and (2) any sums you paid that exceeded permitted amounts will be refunded to you or credited to your loan without changing the Current Amount Due Date.
Waivers	<p>You waive the rights of presentment (demand for payment) and notice of dishonor (notice that amounts have not been paid). You consent to any and all extensions, renewals, or releases of any party liable upon this loan, and to any waiver, forbearance or deferment we may grant.</p> <p>We may delay enforcing or not enforce any of our rights under this Note without losing or waiving any of them.</p>
Assignment	We may sell, assign, or transfer this Note at any time without notice to you. If we do, the assignee will own this Note and can enforce it against you. You may not sell, assign or transfer this Note or any of its benefits or obligations.
CONTACT US	
	<p>Unless we tell you otherwise, you can contact or notify us:</p> <ul style="list-style-type: none"> • by phone at 1-800-472-5543 or • by writing to Sallie Mae, P.O. Box 3319, Wilmington, DE 19804-4319. <p>When writing, please include your name, address, home phone number and loan number.</p> <p>You must contact us within 10 days after (1) changing your name, email address, mailing address, or any phone number, (2) Student or cosigner dies, or (3) any change in Student's enrollment status.</p> <p>We reserve the right to update any P.O. Box address or telephone number provided in this Note but we will provide notice to you if we do so.</p>

DEFINITIONS	
Capitalized	“Capitalized” means added to the Current Principal of the loan. Unpaid Interest, Unpaid Fees, and costs due and not yet paid may be Capitalized as provided in this Note. For example, if you selected a Fixed Payment or Deferred Payment during the Interim Period, then we will Capitalize Unpaid Interest at the end of the Interim Period. Capitalization increases the Total Loan Cost because interest accrues on the Current Principal.
Current Amount Due	“Current Amount Due” means the amount you are required to pay each month until this loan is paid in full. The Current Amount Due may vary each month.
Current Amount Due Date	“Current Amount Due Date” means the date by which you must pay the Current Amount Due each month.
Current Balance	“Current Balance” means the sum of the Unpaid Interest, Unpaid Fees, costs due and not paid, and Current Principal.
Current Principal	“Current Principal” means the sum of the unpaid disbursed amount borrowed plus the unpaid Disbursement Fee (if any), plus any other amounts that have Capitalized.
Interim Period	<p>“Interim Period” begins on the First Disbursement Date of your loan, continues while Student attends School, and ends after the Separation Period, unless Student re-enrolls at least half-time in another eligible school within the Separation Period.</p> <p>If this loan is made after Student has already ceased enrollment, the Separation Period will be calculated from the date that enrollment ended, and as such, may be shorter or nonexistent.</p> <p>At the end of the Interim Period, if applicable, principal and interest payments will begin.</p>
Loan Group	If the borrower has multiple loans serviced by us, we may automatically place them into a “Loan Group”.
Past Due Amount	“Past Due Amount” means the sum of the unpaid amounts of each Current Amount Due from any month you were required to but failed to pay the Current Amount Due.
Payment Allocation	“Payment Allocation” means how a payment is distributed across multiple loans. See “How We Allocate and Apply Payments” section above for more information.
Payment Application	“Payment Application” means once we allocate a payment to a specific loan, payments are applied first to Unpaid Fees and costs, then to Unpaid Interest, and then to Current Principal.
School	“School” means the school identified in the application.
Separation Period	The period of time provided in the Disclosure after the Student is no longer enrolled and before the loan enters principal and interest repayment.
Student	“Student” means the borrower whose educational expenses will be paid for with this loan.
Total Amount Due	“Total Amount Due” means the sum of the Past Due Amount, Current Amount Due, and Unpaid Fees.
Total Loan Cost	“Total Loan Cost” means the actual sum of all payments you will make to pay the loan in full. The Total Loan Cost may not be the same amount as the Total of Payments listed on the Estimated Repayment Schedule on the Disclosure.
Unpaid Fees	“Unpaid Fees” means the sum of any fees (e.g., Late Fees, Returned Check Fees) that have been assessed but not paid.
Unpaid Interest	“Unpaid Interest” means the interest that has accrued but not been paid.
You, Your, and Yours	“You,” “your,” and “yours” means the borrower and any cosigner who signed the application.
We, Us, and Our	“We,” “us,” and “our” means the Lender listed on page 1 of this Note, any subsequent holder of this Note, and any servicer or any agent acting on behalf of the Lender, any servicer or any subsequent holder.

NOTICES REQUIRED BY FEDERAL AND STATE LAW

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT	To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: In applying for this education loan, we will ask for your name, address, date of birth, Social Security Number, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.
NOTICE TO COSIGNER	<p>You are being asked to cosign this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you want to accept this responsibility and you can afford to pay if you have to.</p> <p>The lender can collect this debt from you without first trying to collect from the borrower. The lender can use the same collection methods against you that can be used against the borrower, such as suing you. If this debt is ever in default, that fact will become a part of <i>your</i> credit record.</p> <p>You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.</p> <p>This notice is not a part of the contract that makes you liable for the debt.</p>
NOTICE	<p>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).</p> <p>You can obtain this information and a clear description of your payment obligation orally before the First Disbursement Date by calling 855-455-6972.</p>
NOTICE	<p>If you believe that any information that we have reported to a credit bureau is inaccurate, write to us at P.O. Box 3229, Wilmington, DE 19804-0229. In your letter, (i) provide your name and the loan number, (ii) identify the specific information that is being disputed, (iii) explain the basis for the dispute, and (iv) provide any supporting documentation you have that substantiates the basis of the dispute. If you believe that you have been the victim of identity theft, submit an identity theft report and affidavit to P.O. Box 3350, Wilmington, DE 19804-4350.</p> <p>Late payments, missed payments, or other defaults on your account may be reflected in your credit bureau report.</p>
	The following notice only applies to loans to finance educational expenses at for-profit educational institutions or institutions otherwise subject to the FTC Holder Rule under 16 C.F.R. §433.2.
NOTICE	ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.
CERTIFICATION REGARDING FEDERAL LOAN OPTIONS	You certify that if you consulted with a School's Financial Aid Office in connection with obtaining an education loan, the School informed you of all available financing options under Title IV of the Federal Higher Education Act as required by applicable law.
LOAN SALE NOTICE	Your loan may be sold. No sale will result in any change to the loan terms or in the loss of any advertised borrower benefits, which will continue subject to their original terms. However, loan terms and advertised borrower benefits may change if you consolidate your loans.
CALIFORNIA RESIDENTS ONLY	A married applicant may apply for a separate account.
CALIFORNIA AND UTAH RESIDENTS ONLY	A negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of this Note.
GEORGIA RESIDENTS ONLY	By signing this note, the Cosigner waives any right to require us to commence an action against the Borrower as provided in GA Code §10-7-24.

IOWA, MISSOURI, NEBRASKA AND TEXAS RESIDENTS ONLY	ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FORBEAR FROM ENFORCING REPAYMENT OR DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU AND US FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.
NEW JERSEY RESIDENTS ONLY	The section headings of this Note are a table of contents and not contract terms. Portions of this Note with references to actions taken to the extent of applicable law apply to acts or practices that New Jersey law permits or requires. In this Note, acts or practices by us (1) that are or may be permitted by "applicable law" are permitted by New Jersey law and (2) that may or will be taken unless prohibited by "applicable law" are permitted by New Jersey law.
NEW YORK, RHODE ISLAND AND VERMONT RESIDENTS ONLY	We may obtain a consumer credit report in connection with this application and in connection with any updates, renewals of extensions or any credit as a result of this application. If you ask, we will tell you if we obtained such a report and, if so, the name and address of the agency that furnished the report. We may also obtain a consumer credit report in connection with the review or collection of any loan made to you as a result of this application or for other legitimate purposes related to such loans.
NORTH CAROLINA RESIDENTS ONLY	By signing this Note, the Cosigner waives any right to require us to proceed in accordance with the provisions of N.C. Gen.Stat. §§26-7 through 26-9 and acknowledges that we may proceed against the Cosigner without first proceeding against the Borrower or against any collateral for the loan.
OHIO RESIDENTS ONLY	The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.
VERMONT RESIDENTS ONLY	NOTICE TO COSIGNER: YOUR SIGNATURE ON THIS NOTE MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THIS LOAN. IF THE BORROWER DOES NOT PAY, THE LENDER HAS A LEGAL RIGHT TO COLLECT FROM YOU.
WISCONSIN RESIDENTS ONLY	If you are a married Wisconsin resident: (1) Your signature confirms that this loan obligation is being incurred in the interest of your marriage or family. (2) No provision of any marital property agreement, unilateral statement under §766.59 of the Wisconsin Statutes or court decree under §766.70 adversely affects our interest unless, prior to the time that the loan is approved, we are furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. (3) Your spouse has actual knowledge that this credit is being extended to you and has waived the requirements of §766.56(3)(b) of the Wisconsin Statutes, as acknowledged by his or her signature on the Notice to Married Wisconsin Residents that you received with this Note."

ARBITRATION AGREEMENT - This agreement does not apply if you are a covered borrower under the Military Lending Act at the time this loan is originated.

To the extent permitted under federal law, you and we agree that either party may elect to arbitrate – and require the other party to arbitrate – any Claim under the following terms.

1. RIGHT TO REJECT

You may reject this Arbitration Agreement by mailing a personally signed rejection notice to P.O. Box 3227, Wilmington, DE 19804-0227 certified mail, return receipt requested, within 60 days after the date of your first disbursement of loan proceeds. Any Rejection Notice must include your name, address, telephone number and loan number. No other person may submit a rejection notice for you. If you send a rejection notice we will give you a credit for the standard cost of a letter sent by certified mail. Rejecting this Arbitration Agreement will not affect any other provision of this note.

2. IMPORTANT WAIVERS

If you or we elect to arbitrate a Claim, YOU AND WE BOTH WAIVE THE RIGHT TO: (1) HAVE A COURT OR JURY DECIDE THE CLAIM; (2) PARTICIPATE IN A CLASS ACTION IN COURT OR IN ARBITRATION, WHETHER AS A CLASS REPRESENTATIVE, CLASS MEMBER OR OTHERWISE; (3) ACT AS A PRIVATE ATTORNEY GENERAL IN COURT OR IN ARBITRATION; OR (4) JOIN OR CONSOLIDATE CLAIM(S) WITH CLAIMS INVOLVING ANY OTHER PERSON IN COURT OR IN ARBITRATION. Other rights are more limited in arbitration than in court or are not available in arbitration. The waivers in subsections (2)-(4) above are called the “Class Action and Multi-Party Waivers.” The arbitrator shall have no authority to conduct any arbitration inconsistent with the Class Action and Multi-Party Waivers or to issue any relief that applies to any person or entity except you or us individually.

3. DEFINITIONS

In this Arbitration Agreement, the following definitions will apply: “You,” “your” and “yours” mean each and every borrower and cosigner on the Note; the Student on whose behalf the proceeds of the Note have been advanced; and the heirs, executors and assigns of all of the foregoing. “We,” “us,” “our” and “ours” mean the Lender listed on page 1 of this Note; any subsequent holder of this Note; any servicer or any agent acting on behalf of the Lender, any servicer or any subsequent holder; all of their parents, wholly or majority owned subsidiaries and affiliates; any predecessors, successors, and assigns of these entities; and all officers, directors, employees, agents, controlling persons and representatives thereof. These terms also include any party named as a co-defendant with us in a Claim asserted by you, such as investors or potential investors, credit bureaus, credit insurance companies, closing agents, escrow agents, insurance agents, loan originators, rating agencies, loan servicers, debt collectors, loan guarantors, performance bond trustees, tuition recovery funds, the School, and any of the School’s financial aid offices or officers. “**Claimant**” means the party who asserts or seeks to assert a Claim in a lawsuit or arbitration proceeding. “**Administrator**” means either the American Arbitration Association (the “AAA”), 120 Broadway, Floor 21, New York, NY 10271, www.adr.org, or JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.com, provided that, if the Claimant seeks to assert a Claim in a class or multi-party basis, the Administrator must not have in place a formal or informal policy that is inconsistent with and purports to override the Class Action and Multi-Party Waivers set forth above (see Section 2). The Claimant will select the Administrator by filing a Claim with the Administrator of that party’s choice. (If a Claimant files a lawsuit in court asserting Claim(s) that are subject to arbitration and the other party files a motion to compel arbitration, which is granted, it will be up to the Claimant to commence the arbitration proceeding.) If for any reason the selected Administrator is unable or unwilling to serve or continue to serve as Administrator, the other company will serve as Administrator. If neither the AAA nor JAMS is able or willing to serve as Administrator, you and we will mutually agree upon an Administrator or arbitrator or the court will appoint the Administrator or arbitrator or arbitrators (in the case of a three-arbitrator panel provided for in Section 8, below), subject to the limitations set forth above regarding the Class Action and Multi-Party Waivers.

4. CLAIM

“CLAIM” means any legal claim, dispute or controversy between you and us that arises from or relates in any way to this Note, including, but not limited to, any dispute arising before the date of this Arbitration Agreement and any dispute relating to: (1) the imposition or collection of principal, interest, attorneys’ fees, collection costs or other fees relating to this Note; (2) other provisions of this Note; (3) any application, disclosure or other document relating in any way to this Note or the transactions evidenced by this Note; (4) any insurance or other service or product offered or made available by or through us in connection with this Note, and any associated fees; (5) our methods of soliciting your business; (6) our use or failure to protect any personal information you give us in connection with this Note; (7) your dealings with the School, the quality of the education the School provides, or any acts or omissions by the School; (8) any documents, instruments, advertising or promotional materials that contain information about this Note or any associated insurance or other service or product; and (9) the relationships resulting from this Note or from any of the foregoing. “Claim” has the broadest possible meaning. It includes initial claims, counterclaims, cross-claims, third-party claims and federal, state, local and administrative claims and claims which arose before the effective date of this Arbitration Agreement. It also includes disputes based upon contract, tort, consumer rights, fraud and other intentional torts, constitution, statute, regulation, ordinance, common law and equity and claims for money damages and injunctive or declaratory relief. However, “Claim” does not include any individual action brought by you in small claims court or your state’s equivalent court, unless such action is transferred, removed, or appealed to a different court. **Also, “Claim” does not include disputes about the validity, enforceability, coverage or scope of this Arbitration Agreement or any**

	<p>part thereof (including, without limitation, this sentence, the Class Action and Multi-Party Waivers or, subparts (A) and (B) of Section 11, captioned “Severability”); all such disputes are for a court and not an arbitrator to decide. Notwithstanding the foregoing, the term “Claim” includes any dispute about the validity or enforceability of this Note, as a whole; any such Claim is for the arbitrator, not a court, to decide. If there is an arbitration agreement in place (a “Prior Arbitration Agreement”) governing a prior promissory note from you (a “Prior Note”), “Claim” also includes all disputes relating to the Prior Note to the same extent it would apply to disputes relating to this Note. If you do not reject this Arbitration Agreement, any such Claim will be governed by this Arbitration Agreement rather than the Prior Arbitration Agreement. If you reject this Arbitration Agreement, the Claim will be governed by the Prior Arbitration Agreement, provided that, if you never had the chance to reject the Prior Arbitration Agreement and no demand for arbitration has been previously made, your rejection of this Arbitration Agreement will also serve as your rejection of the Prior Arbitration Agreement.</p>
5. ELECTING OR REQUIRING ARBITRATION	<p>The Claimant may elect arbitration of a Claim by initiating an arbitration in accordance with the Administrator’s rules. The other party may elect arbitration by giving written notice of an election to arbitrate. This notice may be given after a lawsuit has been filed and may be given in papers or motions in the lawsuit. If such a notice is given, the Claim shall be resolved by arbitration under this Arbitration Agreement and the applicable rules of the Administrator then in effect. It will be up to the Claimant to commence the arbitration proceeding. Even if all parties have opted to litigate a Claim in court, you or we may elect arbitration with respect to any Claim made by a new party or any Claim later asserted by a party in that or any related or unrelated lawsuit (including a Claim initially asserted on an individual basis but modified to be asserted on a class, representative or multi-party basis). Nothing in that litigation shall constitute a waiver of any rights under this Arbitration Agreement. The arbitrator will be selected under the Administrator’s rules, except that the arbitrator must be a lawyer with at least ten years of experience or a retired judge, unless you and we agree otherwise.</p>
6. LOCATION AND COSTS	<p>Any arbitration hearing that you attend will take place in a location that is reasonably near your residence or the School campus that you attended or in another location agreed to by you and us. We will consider (and generally honor) any good faith request to bear the fees charged by the Administrator and the arbitrator. We will pay the reasonable and actual expense of our attorneys, experts and witnesses, regardless of which party prevails in the arbitration, and we will pay all such reasonable and actual fees of yours if you prevail in an arbitration where you are the Claimant (even if we are not required to pay such fees under applicable law). We will also pay all such fees we are required to bear: (a) under applicable law; or (b) in order to enforce this Arbitration Agreement.</p>
7. DISCOVERY; GETTING INFORMATION	<p>Either party may obtain from the other party prior to the hearing any information available under the Administrator’s rules or any relevant information the arbitrator determines should in fairness be made available.</p>
8. EFFECT OF ARBITRATION AWARD	<p>Any state or federal court with jurisdiction and venue may enter an order enforcing this Arbitration Agreement, enter judgment upon the arbitrator’s award and/or take any action authorized under the Federal Arbitration Act, 9 U.S.C. §§1 <i>et seq.</i> (the “FAA”). For any arbitration-related proceedings in which courts are authorized to take actions under the FAA, each party hereto expressly consents to the non-exclusive jurisdiction and venue of any state court of general jurisdiction or any state court of equity that is reasonably convenient to you, provided that the parties to any such judicial proceeding shall have the right to initiate such proceeding in federal court or remove the proceeding to federal court if authorized to do so by applicable federal law. The arbitrator’s award will be final and binding, except for: (1) any appeal right under the FAA; and (2) Claims involving more than \$50,000. For Claims involving more than \$50,000 (including claims where the cost of any requested injunctive or declaratory relief would potentially exceed \$50,000), if permitted by the rules of the administrator, any party may appeal the award to a three-arbitrator panel appointed by the Administrator, which will reconsider <i>de novo</i> any aspect of the initial award that is appealed. The panel’s decision will be final and binding, except for any appeal right under the FAA. Costs of any appeal will be governed by Section 6 above. No arbitration award involving the parties will have any preclusive effect as to issues or claims in any dispute involving anyone who is not a party to the arbitration, nor will an arbitration award in prior disputes involving other parties have preclusive effect in an arbitration between the parties to this agreement.</p>
9. GOVERNING LAW	<p>This Arbitration Agreement is made pursuant to a transaction involving interstate commerce and shall be governed by the FAA, and not by any state law concerning arbitration. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA, applicable statutes of limitation and applicable privilege rules, and shall be authorized to award all remedies permitted by applicable substantive law, including, without limitation, compensatory, statutory and punitive damages (subject to constitutional limits that would apply in court), declaratory, injunctive and other equitable relief, and attorneys’ fees and costs. Upon the timely request of either party, the arbitrator shall write a brief explanation of the basis of his or her award. The arbitrator will follow rules of procedure and evidence consistent with the FAA, this Arbitration Agreement and the Administrator’s rules.</p>

10. SURVIVAL; PRIMACY	This Arbitration Agreement shall survive your full payment of the Note; our sale, assignment or transfer of the Note; any legal proceeding to collect a debt owed by you; any bankruptcy or insolvency; any postponement of payments, waiver of payments or modification granted pursuant to the Note; any cancellation, or request for cancellation, of the Note or of any or all disbursements under the Note; and any change in the School enrollment status of the Student. In the event of any conflict or inconsistency between this Arbitration Agreement and the Administrator's rules or the Note, this Arbitration Agreement will govern.
11. SEVERABILITY	If any portion of this Arbitration Agreement cannot be enforced, the rest of the Arbitration Agreement will continue to apply, except that (A) the entire Arbitration Agreement (other than this sentence) shall be null and void with respect to any Claim asserted on a class, representative or multi-party basis if the Class Action and Multi-Party Waivers are held to be invalid, subject to any right to appeal such holding, and (B) if a Claim is brought seeking public injunctive relief and a court determines that the restrictions in the Class Action and Multi-Party Waivers prohibiting the arbitrator from awarding relief on behalf of third parties are unenforceable with respect to such Claim (and that determination becomes final after all appeals have been exhausted), the Claim for public injunctive relief will be determined in court and any individual Claims seeking monetary relief will be arbitrated. In such a case the parties will request that the court stay the Claim for public injunctive relief until the arbitration award pertaining to individual relief has been entered in court. In no event will a Claim for public injunctive relief be arbitrated.
12. NOTICE OF CLAIM; RIGHT TO RESOLVE; SPECIAL PAYMENT	Prior to initiating, joining or participating in any judicial or arbitration proceeding, whether individually, as a class representative or participant or otherwise, regarding any Claim, the Claimant shall give the other party written notice of the Claim (a "Claim Notice") and a reasonable opportunity, not less than 30 days, to resolve the Claim. Any Claim Notice you send must include your name, address, telephone number and loan number. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. You may only submit a Claim Notice on your own behalf and not on behalf of any other party. The Claimant must reasonably cooperate in providing any information about the Claim that the other party reasonably requests. If: (i) you submit a Claim Notice in accordance with this paragraph on your own behalf (and not on behalf of any other party); (ii) we refuse to provide the relief you request before an arbitrator is appointed; and (iii) an arbitrator subsequently determines that you were entitled to such relief (or greater relief), the arbitrator shall award you at least \$7,500 plus any arbitration fees and attorneys' fees and costs to which you may be entitled under this Arbitration Agreement or applicable law.