

# **Student Loan Product**

**BANK OF LAKE MILLS  
IN-SCHOOL LOAN PROMISSORY NOTE  
(Student Loan)**

Maximum Principal Sum (exclusive of capitalized interest)	Loan Date	Account ID	Loan Number	Loan Period

**Student  
Borrower:**

**Lender:**

**Bank of Lake Mills  
c/o CampusDoor  
210 York Street  
Suite 200  
York, PA 17403**

**Cosigner:**

**Institution:**

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*(No alterations, scratch outs or white-outs will be accepted on this form.)*

**1. IDENTIFICATION OF TERMS AND PARTIES.**

The term "Note" as used in this document refers to this Student Loan Promissory Note (the "Note") and all of the terms and conditions set forth herein, including without limitation the Final Disclosure Statement, are part of this Note and are incorporated herein by this reference.

In this Note, the words "I", "me", "mine", "my" and "us" mean each and every person who signs this Note as Borrower or as Cosigner, jointly and severally, unless the applicable language specifically refers to only one or the other or specifies a different meaning. Furthermore, the words "you" and "your" and "yours" mean the Lender, as further defined in Section 2.

**2. DEFINITIONS.**

**"Acceptance Period"** means the thirty (30) calendar day period following the date on which I receive the Approval Disclosure Statement for the Loan disclosed therein.

**"Application"** means the application for a Student Loan submitted by me or us for this Loan (as applicable).

**"Application and Solicitation Disclosure Statement"** means the statement provided to me, which discloses, among other things, information about applicable Interest rates, fees, default, late payment costs, repayment terms, including an example of the total cost of a Loan based upon the maximum Interest rate offered by the Lender, as required by Regulation Z, and which is included on or with my Application.

**"Approval Disclosure Statement"** means the statement provided to me, which discloses, among other things, information specific to the applicable Loan approved by the Lender, as required by Regulation Z, and which is included on or with notice to me that the Lender has approved my Application.

**"Business Days"** generally means Monday through Friday, excluding (a) days when a bank in the State of Wisconsin is required or permitted to be closed, and (b) days when the New York Stock Exchange is closed; except that, for purposes of the Cancellation Period, "Business Day" shall have the meaning given to that term in Regulation Z.

**"Cancellation Period"** means the period during which I have the right to cancel a Loan, without penalty, which period expires at midnight of the third (3rd) Business Day following my receipt of the related Final Disclosure Statement, as specified in the Right to Cancel box at the top of the Final Disclosure Statement.

**"Cosigner Notice"** means any applicable notice that describes the obligations of a Cosigner under this Note and that is signed by my Cosigner with respect to the Loan that I obtain subject to the terms of this Note.

**"Disbursement Date"** means each date on which you lend money to me in consideration of the delivery of this Note and in each case will be the date of the loan check or the date the loan funds are electronically transferred to the Eligible Institution. "First Disbursement Date" means the first date on which you lend money to me either by loan check or electronic transfer of funds to the Eligible Institution. "Final

Disbursement Dates” means the earliest of (i) the date when the total of all amounts authorized to be advanced hereunder has been advanced, (ii) the date when you determine that no additional advances will be made, or (iii) the date when I notify you that I do not want any additional advances.

“**Disclosure Statement**” means any Application and Solicitation Disclosure, Approval Disclosure and/or Final Disclosure pursuant to the Federal Truth in Lending Act; collectively, that may be provided separately from this Note. In the event of any conflict between the terms of the Final Disclosure and this Note, the Final Disclosure shall govern.

“**Eligible Institution**” means a Title IV eligible degree-granting educational institution that participates in the Lender’s Loan program and that the Student does or will attend.

“**Final Disclosure Statement**” means the statement that discloses information specific to my Loan including, among other things, my right to cancel the Loan during the Cancellation Period, as required by Regulation Z, which will be provided to me if I accept the Loan within the Acceptance Period.

“**Fixed Rate**” means an interest rate that will remain the same for the entire length of the loan.

“**In-School Period**” means the time period beginning with the first Disbursement Date, continuing while the Student is attending an Eligible Institution on at least a half-time basis, and ending six (6) months after: (i) the Student’s withdrawal or dismissal from an Eligible Institution; (ii) the Student is no longer attending the Eligible Institution on at least a half-time basis, or (iii) the Student graduates from an Eligible Institution.

“**Interest**” means interest that accrues on the unpaid Principal balance of the Loan, as described in Section 9 of this Note.

“**Lender**”, “**you**” and “**your**” means Bank of Lake Mills, or any subsequent holder of this Note, and also any agent or servicer acting on behalf of Lender or any subsequent holder of this Note, unless the applicable language specifies a different meaning.

“**Loan**” means any and all loan advances made by the Lender under the terms and conditions of this Note, plus interest and other charges and fees that may become due as provided in this Note.

“**Loan Date**” means the date identified as such above.

“**Loan Origination Fee**” means a fee assessed by the Lender for processing a new Loan, if applicable.

“**Loan Period**” means the time period identified as such above, as specified by the Eligible Institution, regardless of whether a different period was specified by me or us in the Application. This represents the corresponding academic period for which I am requesting the Loan. The Loan Period cannot exceed 12 months.

“**Maturity Date**” means the date the final payment is due as disclosed in the applicable Final Disclosure Statement provided to me.

“**Note**” means this Promissory Note and, as applicable, the Application, Disclosure Statements, and Cosigner Notices referenced herein, except as otherwise provided in any of the foregoing.

“**Post Disbursement Payment**” means the monthly payments disclosed in the applicable Final Disclosure Statement that I will make to the Lender beginning no less than twenty-eight (28) calendar days following the date the Repayment Period begins and continuing thereafter until the Loan is paid in full.

“**Principal**” means the amounts paid on my behalf under this Note, which shall include any fees, charges, capitalized interest, and other amounts added to the Principal of the Loan pursuant to this Note, including any Loan Origination Fee, if applicable.

“**Repayment Period**” means the time period that I am required to make payments and ending when the Loan is paid in full. The Repayment Period will vary based upon the amount of the Loan but is subject to limitations based upon applicable law and will not exceed the period I selected, as shown in the Final Disclosure Statement. If I have a Variable Rate loan, my payments will be reamortized periodically, if needed, to meet the Repayment Period.

“**Servicer**” means a third-party that has a contractual agreement to service the Note, including, but not limited to, invoicing and collecting payments under this Note for or on behalf of Lender.

“**Student**” means the person identified as such above and on the Application and is sometimes referred to as the “Student Borrower” or is the person that enrolled at the Eligible.

### 3. PROMISE TO PAY – IMPORTANT – READ THIS CAREFULLY

To the extent advanced, I promise to pay to the order of Lender, the Principal which is the amount disbursed by the Lender and received by the Student's Eligible Institution plus any Loan Origination Fee I owe as provided in this Note. The Principal sum will not exceed the lesser of the amount requested by me or the amount approved by the Eligible Institution. I also agree to pay accrued interest; and all other charges, fees and costs that become due as required in this Note. If I fail to make payments on this Note when due, Lender, or its agents, may demand that I repay this entire Loan immediately. I also promise to pay reasonable attorney's fees, and collection agency, court and other collection costs, to the extent permitted by law. I understand that I will be liable to pay all of these amounts, in full, even if another person also signs this Note. I agree to uphold my obligations specified in this Note, even if I do not complete my education program.

### 4. APPROVAL AND CANCELLATION OF NOTE.

**Approval:** I understand that I am not legally obligated to repay any amounts owed under this Note until such amounts are disbursed by the Lender. I understand that I am signing this Note before this Loan has been fully approved by the Lender because the Lender has not yet received all required information and the Lender has not yet received certifications from the Eligible Institution. Once all information is obtained by the Lender and the Loan is fully approved, the Lender will provide me with the appropriate Disclosure(s) showing the principal amount that has been approved and other important information.

**Cancellation:** If I am not satisfied with the terms and conditions of my Loan as approved by the Lender, I may cancel this Note and all Loan disbursements by the deadline for cancellation set forth in my Final Disclosure. To cancel this Note, I must give you notice of cancellation in writing, together with any verification of identity and/or of authorization that you may require, by no later than the deadline for cancellation set forth in my Final Disclosure. In addition, I must notify the Eligible Institution, I may not endorse any Loan check, and I must instruct the Eligible Institution to return any funds to the Lender. However, cancellation of this Note will not affect the continuing validity of Section 18 below ("Arbitration Agreement"). I acknowledge that the Lender may cancel my Loan at any time in accordance with applicable law.

**LOAN PURPOSE.** I certify to Lender that the proceeds of the Loan will be used only to pay for qualified higher education expenses, as described in Section 221(d)(2) of the Internal Revenue Code of 1986 (as amended), 26 U.S.C. Section 221(d)(2), ("Qualified Higher Education Expenses") relating to my enrollment and attendance at the Eligible Institution on at least a halftime basis during the Loan Period, as approved by the Eligible Institution and/or Lender, as applicable. No Cosigner may receive any proceeds of the Loan. Moreover, I agree to return to the Lender any Loan proceeds not attributable to such expenses.

### 5. DISBURSEMENTS.

I authorize you, at your option, to disburse Loan funds in whole or in part (a) electronically to the Eligible Institution, to be applied to the Student's account, or (b) by check made jointly payable to me and the Eligible Institution, that is mailed to the Eligible Institution (at your discretion). You authorize the Eligible Institution to apply the proceeds to your student account at the Eligible Institution and to return to us as a partial prepayment of a loan made under this Note any portion of the proceeds that exceeds the amount necessary to pay your cost of attendance, less other financial aid, as calculated by the Eligible Institution.

### 6. STOPPING DISBURSEMENTS.

I may ask you to stop making disbursements. To stop a disbursement, and any further disbursements, you must receive my request via electronic mail, or in writing, together with any verification of identity and/or of authorization that you may require before my loan funds are disbursed. You may stop a disbursement, and any further disbursements, if any Loan check is not endorsed, deposited and cleared within ninety (90) days, if I am in default at any time (see Section 11), or if you learn that the Student is no longer attending the Eligible Institution on at least a half-time basis. I will be liable to repay all disbursements made under this Note, even if you or I stop subsequent disbursements.

### 7. RETURNING FUNDS.

If all or any part of the Loan funds disbursed on any Disbursement Date are returned to you directly by the Eligible Institution, or if a Loan check is not endorsed, deposited and cleared within ninety (90) days of that Disbursement Date, Lender will charge no interest and will not assess any Loan Origination Fee with respect to the funds returned or with respect to the funds represented by the uncashed Loan check.

### 8. LOAN ORIGATION FEE.

I will pay you a Loan Origination Fee, if applicable; at the time my Loan is disbursed. The dollar amount of any Loan Origination Fee, if applicable, will be determined as a percentage of the Principal sum. The Loan Origination Fee, if applicable, I will pay will be shown within the Itemization of Amount Financed on my Disclosure Statement and included in the Principal sum. To the extent permitted by law, and unless I timely cancel a disbursement, I will not be entitled to a refund of any Loan Origination Fee, if applicable, relating to that disbursement. The Loan Origination Fee is fully earned by Lender when it is assessed.

## 9. INTEREST.

### Variable Interest Rate Loans:

**Interest Accrual for Variable Rate Loans:** Beginning on the first Disbursement Date, Interest will accrue and be charged on the Principal of the Note (including any Loan Origination Fee) and on any unpaid Interest later added to the Principal as set forth herein. Variable Interest will continue to accrue and be charged on the Principal balances of the Note until all amounts are paid in full. Interest will be calculated on a daily simple interest basis and will vary in accordance with the 'Variable Rate' provisions. The daily interest rate will be equal to the annual interest rate in effect on that day, divided by the average number of days in a calendar year (365.25). Interest accrues on the unpaid Principal balance of the Loan (including any Loan Origination Fee) from the Disbursement Date until the date the Loan is repaid in full.

**Variable Rate.** The interest for a variable rate loan shall be a variable interest rate equal to the applicable 'Index' as defined below, plus the applicable "Margin" as determined by the FICO Score of the Borrower or the Cosigner, if applicable. FICO Score means a numerical value or categorization derived from a statistical tool or modeling system developed by Fair Isaac Corporation that is used by a person who makes or arranges a loan to predict the likelihood of certain credit behaviors, including default. The interest rate applicable from the first Disbursement Date through the end of the current month will be set forth in the Final Disclosure Statement. The interest rate will then change on the first day of each subsequent month if the applicable Index changes (each, a 'Change Date'). The 'Index' that will be used each month to determine the applicable interest rate for the following month is identified at the top of this Note (under the heading 'Applicable Index') and shall be 30-Day Average SOFR Index as described below. If the applicable Index is no longer available, it will be replaced in accordance with the provisions set forth below.

**30-Day Average SOFR Index.** This is a benchmark index that is calculated and provided to the general public by an administrator ("Administrator") and is currently published by the Federal Reserve Bank of New York.

**Calculation of Rate.** For purposes of calculating the new interest rate on each Change Date, the Lender will use the most recent applicable Index value available as of two Business Days before the Change Date (called the "Current Index") provided that if the Current Index value is less than zero, the Lender will deem the Current Index to be equal to zero. To derive the applicable rate, the Lender will add the applicable "Margin", rounded to the nearest one hundredth of one percent. The "Margin" that will be used is the margin shown as such in the Final Disclosure Statement, unless a replacement is provided in accordance with the terms set forth below. The interest rate shall never exceed 18%.

**Replacement Index and Replacement Margin.** The applicable Index will be deemed to be no longer available and will be replaced if any of the following events (each, a "Replacement Event") occur: (i) the applicable Administrator has permanently or indefinitely stopped providing the Index to the general public; or (ii) the applicable Administrator or its regulator issues an official public statement that the Index is no longer reliable or representative.

If a Replacement Event occurs, the Lender will select a new index (the "Replacement Index") and may also select a new margin (the "Replacement Margin") as follows:

- A. If a replacement index has been selected or recommended for use in consumer products, including variable rate private student loans, by the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, or a committee endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York at the time of a Replacement Event, the Lender will select that index as the Replacement Index.
- B. If a replacement index has not been selected or recommended for use in consumer products under subsection A. above at the time of a Replacement Event, the Lender will make a reasonable, good faith effort to select a Replacement Index and a Replacement Margin that, when added together, the Lender reasonably expects will minimize any change in the cost of the Loan, taking into account the historical performance of the Index and the Replacement Index.

The Replacement Index and Replacement Margin, if any, will be operative immediately upon a Replacement Event and will be used to determine the interest rate and monthly payments on Change Dates that are more than 45 days after a Replacement Event. The Index and Margin could be replaced more than once during the term of this Note, but only if another Replacement Event occurs. After a Replacement Event, all references to the "Index" and "Margin" will be deemed to be references to the "Replacement Index" and "Replacement Margin". The Lender will give me notice of a Replacement Index and Replacement Margin, if any, and such other information required by applicable law and regulation.

### Fixed Interest Rate Loans:

**Interest Accrual for Fixed Rate Loans:** Beginning on the first Disbursement Date, Interest will be calculated at the Fixed Rate (see "Fixed Rate" below) and charged on the Principal sum, and on any unpaid interest later added to the Principal sum as set forth herein. Interest will be calculated at the Fixed Rate and charged on the Principal sum of the Note until all amounts are paid in full. Interest will be calculated on a daily simple interest basis. The daily interest rate will be equal to the annual interest rate in effect on that day, divided by the average

number of days in a calendar year (365.25). Interest accrues on the unpaid Principal balance of the Loan (including any Loan Origination Fee) from the Disbursement Date until the date the Loan is repaid in full.

**Fixed Rate:** The interest for a “Fixed Rate” loan will not increase or decrease for the life of the Loan. If at any time the fixed interest rate is not permitted by applicable law, interest will accrue at the highest rate allowed by applicable law, but in no event will the Interest and other charges assessed under this Note exceed 18%.

**Variable Interest Rate and Fixed Interest Rate Loans:**

**Capitalization of Interest.** Upon entering the Repayment Period of the Loan, any outstanding accrued interest shall be capitalized and added to the unpaid Principal of the Loan. Such capitalized interest shall be subject to the same interest accrual as original Principal.

The Lender, at its discretion, may allow a deferment or forbearance of payments on the Loan. In such an event, any Interest that has accrued during such periods shall also be capitalized at the end of the deferment or forbearance period and added to the outstanding Principal of the Loan.

The interest rate in effect on this Note will be reduced by 0.25% if either the Borrower or the Cosigner authorizes automated (ACH) payments from any bank account. This ACH interest rate reduction applies only when full Principal and Interest payments are automatically drafted from a bank account. This interest rate reduction will not continue to apply during periods of approved forbearance or deferment. The ACH interest rate reduction will terminate if the automatic bank account payments discontinue or there are any three instances of insufficient funds at any time during the term of the Loan.

**Interest After Default or Judgment:** If I default, and/or if Lender obtains a judgment against me on this Note, Interest will continue to accrue on all amounts I owe under this Note at either the same Fixed Rate or the Variable Rate applicable to this Loan before default and before judgement.

**10. REPAYMENT.**

**In-School Period:** Based on my loan type, I have selected one of the available repayment options during the application process:

1. If I elected the “Fully Deferred” option, I may, but am not required, to make any payments during the In-School Period.
2. If I elected the “Interest-Only Repayment” option, I will make monthly payments of a minimum of accrued interest during the In-School Period and my first payment will be due 30-60 days after the first disbursement of my Loan. I may, but am not required, to make payments towards my Principal balance during the In-School Period.
3. If I elected the “Make Full Payments” option, I will make monthly payments of accrued Interest and Principal during the In-School Period and my first payment will be due 30-60 days after the first disbursement of my Loan. Payments made under this option during the In-School Period will count towards the number of payments associated with the loan term I selected.

**Prepayment:** I may, at my option, prepay all or any part of the Principal, Interest and other charges at any time before payment is due (whether during the In-School Period or the Repayment Period) without penalty. Because of the way Interest is calculated, I will not receive any Interest refund or rebate if I prepay in full. Because the Loan Origination Fee, if applicable, is earned when assessed, I will not receive a rebate of any portion of the Loan Origination Fee if I prepay my Loan in full after it has been disbursed.

**Repayment Schedule:** I will make consecutive monthly payments of Principal and accrued Interest during the Repayment Period until all amounts I owe in connection with this Loan are paid in full. However, I agree that my scheduled monthly payments of Principal and Interest will not be less than \$50.

**Application of Payments:** Notwithstanding anything to the contrary herein, payments will be applied first to late fees and other fees and charges, then to accrued Interest, and last to Principal. I understand that all accrued Interest must be paid before the outstanding Principal can be reduced. I will not send you partial payments marked “paid in full,” “without recourse” or with other similar language unless those payments are marked for special handling. I also understand that if I send such a payment, Lender or Servicer may accept it without losing any rights under this Loan.

**Coupon Book or Monthly Statements:** During the Repayment Period I may receive a coupon book or monthly statements for the repayment of my Loan. Failure to receive a coupon book or monthly statement does not relieve me from my obligation to make all payments as required by the terms of this Note, as those payments may be changed by Lender.

**Late Payments, Partial Payments, and “Payment in Full”:** To the extent permitted by applicable law, Lender may accept late payments, partial payments or payments marked “Payment in Full” or having similar language, without waiving any of its rights under this Note or under applicable law, notwithstanding any act, omission or thing which might operate as a legal or equitable discharge.

**Late Charges:** If you do not receive a payment by its due date, my Loan may be in default (see Section 11). In addition, I will pay a late charge

if you do not receive any part of a monthly payment within fifteen (15) days after it becomes due. The late charge will be five percent (5%) of the unpaid monthly payment (not just the portion that is late) or \$5.00, whichever is less, if permitted by law. A late fee will not be assessed when the delinquency is solely due to unpaid late fees assessed on prior delinquent installments.

**Returned Payment Charges:** I agree to pay the Lender or Servicer, as applicable, a returned payment fee of \$5.00 for any check or other instrument I give for my payment or electronic payment that is dishonored for any reason, or if my financial institution returns any of my payments to Lender unpaid, except as prohibited by applicable law. This fee is in addition to any fee that my financial institution may also charge me.

**Amount Owning at the End of the Repayment Period:** Since Interest accrues daily upon the unpaid Principal balance of my Loan (including capitalized interest), if I make payments after my payment due dates, I may owe additional interest and late charges at the end of the Repayment Period. In such cases, my last monthly payment shall be the amount necessary to repay my Loan in full, including the outstanding Principal balance, all accrued and unpaid Interest, and all other charges, fees and costs that are due under the terms of this Note.

**Payment Due Notwithstanding Withdrawal from school or Disability:** I understand that I have to repay this Loan in full, even if I withdraw or I am dismissed from the Eligible Institution without graduating. I also understand that I will be liable for my unpaid indebtedness even if I fail to attend School or am dissatisfied with the education I receive from the School.

I, as the student (but not anyone else), understand that if I become totally and permanently disabled (TPD), my unpaid indebtedness on this Loan will not be canceled unless I can provide acceptable documentation of my TPD status consisting of certified copies or other documentation reasonably acceptable to you and could include the U.S. Department of Veterans Affairs determination that I am totally unemployable either due to a service-connected disability or based on an individual employability rating.

If the primary Borrower resides in a state that requires private lenders to discharge student loans if the Borrower becomes totally and permanently disabled you may qualify for a loan discharge (except where required by state law, Cosigners are not eligible to be removed from the loan due to total and permanent disability). In order to establish total and permanent disability, the primary Borrower must demonstrate to our reasonable satisfaction that they are unable to engage in any substantial gainful activity due to a physical or mental impairment that began or deteriorated after the Disbursement Date and meets one of the following criteria: (a) can be expected to result in death; (b) has lasted for a continuous period of not less than sixty (60) months; or (c) it can reasonably be expected to last for a continuous period of not less than sixty (60) months. In addition to demonstrating TPD status to our reasonable satisfaction, a doctor of medicine or osteopathy, authorized to practice in the United States, must describe and certify the Borrower TPD status on our TPD discharge form. You must continue making payments until we receive and process your TPD application. If we deny your request, you will have to continue making payments on this Loan. If we grant your request, you must pay us any refund for tuition or educational expenses received from the Eligible Institution up to the amount due on your Loan. If you do not do so, you will be in default, and we can collect the refund plus interest and any accrued fees and costs from you.

**Death Waiver:** In the event of the Borrower's death, the unpaid indebtedness remaining on the Note will be cancelled if all of the following circumstances apply: (1) the Loan's benefiting Borrower, (2) the Lender is notified of the benefiting Borrower death and provided a copy of the death certificate, and (3) the Lender receives any other documentation reasonably requested by Lender and the Cosigner or the benefiting Borrower representative otherwise cooperates with Lender while the request for debt cancellation is processed.

## **11. DEFAULT.**

To the extent permitted by applicable law, my Loan will be in default if any of the following occurs: (a) A monthly payment is not received on or before its due date; (b) I break any promise made in this Note; (c) Lender discovers any false or misleading statement in any information I have given Lender in connection with this Note or the Application for this Loan; (d) I fail to use the proceeds of this Loan solely for Qualified Higher Education Expenses; (e) I fail to provide notices to the Lender when required to do so by this Note; (f) I allow another person to forge my signature on any document; or (g) I fail to provide verification of enrollment status in the Eligible Institution when asked for it. If I live in Idaho, Kansas, Maine, Nebraska, or South Carolina, I will be in default if I fail to make a payment when due or the prospect of my payment or performance is significantly or materially impaired. If I live in Iowa, I will be in default if I fail to make a payment within 10 days of its due date or if the prospect of my payment or performance is significantly or materially impaired. If I live in West Virginia, I will be in default if I fail to make a payment within 5 days of its due date or if I otherwise fail to perform pursuant to this Note.

## **12. LENDER'S REMEDIES AFTER DEFAULT.**

If a default occurs, Lender has the right to cancel any disbursements not yet made (See Section 6). Lender may also, after any applicable notice and right to cure default that is required by applicable law (see Section 21), declare the entire balance of Principal, Interest and other charges owed under this Loan immediately due and payable, in full, without further notice to me. Lender may then take action to collect the entire Loan balance, including (without limitation): (a) bringing a lawsuit against me and obtaining a judgment against me and/or (b) referring my Loan to a third party (such as a collection agency) for further collection efforts. I will be required to pay Interest on this Loan after default and/or any judgment (See Section 9). Lender may, at its option, add all accrued and unpaid Interest to the Principal balance after default and/or judgment. To the extent permitted by applicable law, I agree to pay any collection agency charges, reasonable

attorneys' fees and actual court costs (including fees and costs in bankruptcy court and in appellate courts), and any other costs of collection incurred by Lender as the result of a default. If I default, then after any applicable waiting periods or notices required by applicable law, and as permitted by applicable law, Lender may also disclose information about my default to one or more national consumer credit reporting agencies, which may adversely affect my ability to obtain other credit. To maintain a good credit rating, it is to my advantage to meet my obligations under this Note.

**I agree that you may report information about my Loan account to the Servicer and to credit reporting agencies. Late payments, missed payments, or other defaults on my Loan account may be reflected in my credit report.**

### 13. NOTICES.

I must immediately notify you in writing after any of the following occurs: (a) a change in my mailing address (including my electronic mail address, if I have agreed to receive notices and other communications electronically from you) and/or my name; (b) the Student ceases to be enrolled on at least a half-time basis at an Eligible Institution; or (c) the Student graduates from an the Eligible Institution. Any notice I send you will be sent to the address you have most recently provided me for that purpose. If you have not provided any address to me, notices may be sent to the address shown on my monthly statements or coupon book.

Except as otherwise provided by applicable law, any notice you are required to give me will be effective when mailed by first class mail to the latest address you have for me. Alternatively, if I have agreed to receive notices and other communications electronically, such notice will be effective when transmitted electronically to the latest electronic mail address you have for me. To the extent permitted by applicable law, any notice you send to any one of us will be considered sent to all of us.

### 14. ELECTRONIC SIGNATURES

This Note may be executed by means of electronic communication, such as an electronic online signature. Under this Note, a document must be signed with a digital or electronic signature that complies with the consumer consent and other applicable provisions of the Electronic Signatures in Global and National Commerce Act (E-Sign Act) (15 U.S.C. § 7001 et seq.).

### 15. COMMUNICATING WITH ME

To the extent permitted by applicable law, and without limiting any other rights you may have, I consent to the Lender, Servicer, and any of their affiliates or agents, communicating with me, in connection with my Application or Loan, using any phone number or email address that I provided in my Application, or using any phone number or email address that I provide to the Lender or Servicer in the future. The Lender, Servicer, and any of their affiliates or agents may communicate with me using any current or future means of communication, including, but not limited to, automated telephone dialing equipment, artificial or pre-recorded voice messages, SMS text messages, email directed to me at a mobile telephone service, or email otherwise directed to me. **THE LENDER AND/OR SERVICER MAY USE SUCH MEANS OF COMMUNICATION EVEN IF I WILL INCUR COSTS TO RECEIVE SUCH PHONE MESSAGES, TEXT MESSAGES, OR EMAILS.** Any notice required to be given to me will be effective if sent by first class mail to the latest address the Lender or Servicer has for me or, except as otherwise required by law, by electronic means to an address that I have provided.

### 16. GOVERNING LAW; UNSECURED NOTE; INVALID PROVISIONS; WAIVERS; EXTENSION, RENEWAL, OR RELEASE; ASSIGNMENT; CHANGES TO NOTE.

**Governing Law:** I understand and agree that Lender is headquartered in Wisconsin and the Loan will be disbursed by Lender from Wisconsin through a third-party agent. **Consequently, the provisions of this Note (except for Section 21) will be governed by federal law and (to the extent not preempted by federal law) the laws of the State of Wisconsin, without regard to conflict of law rules.** Section 18 (Arbitration Agreement) is governed by the Federal Arbitration Act, and not by any state law concerning arbitration.

**Unsecured Note:** Lender waives any right it may have under any other document to claim a security interest in property to secure this Note. This Note is unsecured.

**Invalid Provisions:** If any provision of this Note is held invalid or unenforceable in arbitration under Section 18 or by a court having jurisdiction, the remaining provisions of this Note shall not be affected, and this Note shall be construed as if such invalid or unenforceable provisions had not been included in this Note. However, Section 18 (Arbitration Agreement) shall be null and void if the "Class action waiver" paragraph in Section 18 is held to be invalid or unenforceable, as described more fully in Section 18 below.

**Waivers:** I waive my rights to require you to demand payment of amounts due (known as "presentment"), to give notice that amounts due have not been paid (known as "notice of dishonor"), to obtain an official certification of nonpayment (known as "protest"), and, to the extent permitted by applicable law, to give any other notices or demands in connection with this Note.

You may delay, fail to exercise, or waive any of your rights on any occasion without losing your entitlement to exercise any and all of your rights on any future occasion.

**Extension, Renewal or Release:** You may extend or renew this Note at your discretion, and you may release any one of us without affecting or releasing any of the rest of us.



**YOU AND I EACH WAIVE THE RIGHT TO A JURY TRIAL CONCERNING ANY CLAIM OR DISPUTE RELATING TO OR ARISING FROM THE APPLICATION, ANY DISCLOSURE STATEMENT, THIS NOTE, OR THE LOAN (REGARDLESS OF WHETHER THE CLAIM OR DISPUTE IS WITHIN THE SCOPE OF THE ARBITRATION PROVISION AND REGARDLESS OF WHETHER I OPT OUT OF THE ARBITRATION PROVISION).**

**Extension, Renewal or Release:** You may extend, renew or release me without affecting or releasing any other Borrower or Cosigner.

**Forbearance:** If I am unable to repay this Loan as required by the terms of this Note, I may ask for forbearance. I understand that granting a forbearance request is at Lender's sole option and in Lender's sole discretion, and that I will remain responsible for all Interest that continues to accrue during any period of forbearance to which Lender might agree.

**Deferment:** I understand that I may be eligible to receive a deferment of:

- Principal payments if I return to school and my servicer receives verification that I am enrolled at least half-time at an Eligible Institution. I must continue to make Interest payments while I am enrolled. (I must notify my servicer of enrollment and request this deferment.)
- Principal and Interest during a period when I am serving on active-duty military service during a war, military operation, or national emergency.
- I will remain responsible for all Interest that continues to accrue during any period of deferment.

**Assignment:** I may not assign this Note or any of its benefits or obligations. However, you have the right to assign your rights and duties under this Note without my consent and without notice to me. If this Note is sold or otherwise transferred, my rights under the law or under this Note are in no way altered or impaired.

**Loan Sale Notice:** I understand and acknowledge that my Loan may be sold while a balance remains outstanding. Such a sale will not result in any change in terms of my Loan as set forth herein.

**Changes to Payment Schedule:** I understand that if my enrollment status at the Eligible Institution changes at a time other than my expected graduation date, or other reasons, the Lender or Servicer may adjust the payment due dates and monthly payment amounts. If that happens, the Lender or Servicer will make the adjustment and advise me of the change on my next monthly statement. I agree that I will pay the amount shown on my monthly statement.

**Savings Clause:** If a law which applies to this Note and which sets maximum Interest or finance charges is finally interpreted so that the Interest or other charges collected or to be collected in connection with this Note exceeds the permitted limits, then: (a) any such charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. You may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial prepayment.

**No Accord and Satisfaction:** A restrictive endorsement on any payment item (such as "paid in full") will not be considered an accord and satisfaction of what I owe under this Note. If I dispute any amount owed you, I must write to **Firstmark Services, Ste 201, 121 South 13th St, Lincoln, Nebraska, 68508**, or such other address provided by you to me for correspondence.

**Bankruptcy:** If I file for bankruptcy, I may still be required to pay the amount due under this Note.

**Set-Off:** Whenever my Loan is in default (and regardless of whether you have declared the entire Loan balance to be immediately due and payable, in full), you may apply any funds of mine in your possession or control against amounts owed under this Loan without any notice.

**General:** Section and paragraph headings and captions in this Note are for convenience and reference purposes only and are not intended to limit the meaning of any provision of this Note. Whenever applicable in this Note, the use of the singular includes the plural and use of the plural includes the singular.

**Survival:** All applicable provisions of this Note (including without limitation this Section 16 and Sections 13, 15, 17 and 18) shall survive your sale or transfer of the Loan, any bankruptcy or insolvency, any forbearance or modification granted pursuant to this Loan or any disbursements under the Loan, any change in my School enrollment status, and (except for payment-related provisions of this Note) my full payment of the Loan.

## **17. PRIVACY MATTERS.**

**Updating Information:** I agree to give you updated financial, enrollment status, contact, mailing and other information about me, and updated information about the Student, any time required under this Note or any time you reasonably request.

**The Eligible Institution:** To the extent permitted by applicable law, you may provide a copy of the Application, this Note, or any other document or information regarding my Loan request to, and may report my payment history to, the Eligible Institution.

**Authorization for Receipt of and Reporting Credit Information:** I authorize you to investigate my creditworthiness and to receive credit information about me (and my spouse if I live in a community property state) from others, including other lenders, credit reporting agencies, and educational loan information clearinghouses. You may also furnish information about my Loan, including but not limited to, late payments, missed payments or other defaults on my account, to credit reporting agencies and other persons who may legally receive such information. A negative credit report reflecting on my credit record may be submitted to a credit reporting agency if I fail to fulfill the terms of my Loan obligations under this Note. If I believe that you have furnished information to a consumer reporting agency that is inaccurate, I will notify you at the address specified below and identify the specific information that is inaccurate.

**Firstmark Services Ste 201, 121 South 13th St, Lincoln, Nebraska, 68508**

**Communications Regarding Loan and Release of Loan Information:** To the extent permitted by applicable law, I authorize you and the Eligible Institution to communicate with each other, and to release information pertinent to this Loan to each other and (unless I submit written directions otherwise) to members of my immediate family, including my spouse.

**Communications Regarding the Loan Certification and Disbursement Process:** To the extent permitted by applicable law, I authorize you and the Eligible Institution to communicate with any third-party service provider utilized by you to facilitate the certification of my Loan request by the Eligible Institution or to facilitate the process of disbursing my Loan funds to the Eligible Institution.

**Inquiries to Learn Current Address and Telephone Number:** I authorize you to release information and make inquiries to the individuals listed as references on the Application for the purpose of learning my current address and telephone number.

**Social Security Number:** You and the Eligible Institution may verify my Social Security number with the Social Security Administration (SSA). If the number on my Loan records is incorrect, then I authorize the SSA to disclose my correct Social Security number to you and the Eligible Institution.

**Department of Education Information:** I authorize the Department of Education to send any information about me that is under its control, including information from the Free Application for Federal Student Aid, to you.

**Sharing Information:** You may share information within your respective family of companies as well as with unaffiliated third parties external to your respective family of companies, as described in your respective Privacy Policy(ies), a copy of which will be provided to me. To the extent permitted by applicable law and after providing required notices, Lender or any holder of any of my outstanding educational loans may modify its or their respective Privacy Policy(ies).

**18. ARBITRATION PROVISION: PLEASE READ CAREFULLY IMPORTANT –**

**I HAVE BEEN TOLD TO READ THIS ARBITRATION PROVISION CAREFULLY. IF I DO NOT OPT OUT IN ACCORDANCE WITH THE PARAGRAPH CAPTIONED “OPT-OUT PROCESS,” IT WILL BE PART OF MY NOTE AND WILL HAVE A SUBSTANTIAL IMPACT ON THE WAY YOU AND I RESOLVE ANY CLAIM WHICH YOU OR I HAVE AGAINST EACH OTHER NOW OR IN THE FUTURE. OTHER RIGHTS THAT YOU OR I WOULD HAVE IN COURT MAY NOT BE AVAILABLE IN ARBITRATION.**

Except as expressly provided below, I agree that any claim, dispute or controversy (“Claim”) between me and the Lender arising out of or that is related to (a) this Note, or (b) any relationship resulting from this Note, or any activities in connection with the Loan evidenced by this Note (including, without limitation, the Application for the related Loan evidenced by this Note, the disclosures provided or required to be provided in connection with the Loan, including, without limitation, any Disclosure Statement, or the underwriting, servicing or collection of the Loan), or (c) any insurance or other service related to this Note, or (d) any claim, no matter how described, pleaded or styled, relating, in any manner, to any act or omission regarding in any way the obligations of the parties to this Note shall be resolved pursuant to this Arbitration Provision. Notwithstanding the preceding sentence, the parties’ agreement to arbitrate does not include Claims that may be brought in a small claims court or other similar court with limited jurisdictional amount and expedited procedure. For purposes of this section, I agree that “Lender” means the lender named above, its officers, directors and employees, and its affiliates, subsidiaries, and parent entities, and any officers, directors and employees of such entities, as well as any entity or individual who purchases my loan from the Lender and also any Servicer (including any Servicer’s officers, directors and employees, and any affiliates, subsidiaries and parent entities of any Servicer, and any officers, directors and employees of such entities), and that “School” means the school named above, its officers, directors and employees, and its affiliates, subsidiaries and parent entities, and any officers, directors and employees of such entities. In addition, this Arbitration Provision will also inure to the benefit of any third party named as a co-defendant with Lender or School in a Claim which is subject to this Arbitration Provision.

**Choice of Arbitration Provider and Arbitration Rules:** The arbitration shall be administered by the American Arbitration Association (“AAA”) before a single arbitrator and under the AAA’s Consumer Arbitration Rules in effect at the time the arbitration is brought.

Information about the arbitration process can be obtained from the AAA at [www.adr.org](http://www.adr.org) or (800) 778-7879. In the event AAA refuses or is otherwise unable to administer any Claim related to my Note, I agree that another reputable arbitration service provider will administer the Claim.

**THIS ARBITRATION PROVISION WILL APPLY TO MY NOTE, UNLESS: (A) I AM A COVERED BORROWER AS DEFINED BY THE MILITARY LENDING ACT, 10 U.S.C. § 987; OR (B) I AM AFFORDED STATUTORY PROTECTIONS THAT PROHIBIT SUBMISSION OF A DISPUTE TO ARBITRATION.**

**Opt-Out Process:** If I do not want this Arbitration Provision to apply, I may reject it by mailing you a written opt-out notice which contains my name and address and a statement that I opt out of this Arbitration Provision.

**The opt-out notice should be sent to the following address:** ATTN: Arbitration Agreement Rejections, 1415 Ritner Highway, Carlisle, PA 17013. (I should retain a copy of my opt-out notice and evidence of mailing or delivery). An opt-out notice is only effective if it is signed by me and if you receive it within thirty (30) days after the date of the Final Disclosure Statement. I agree that indicating my desire to opt out of this Arbitration Provision in any manner other than as provided above is insufficient notice. However, my decision to opt out of this Arbitration Provision will not have any other effect on this Note and will not affect any other arbitration provision between you and me, which will remain in full force and effect.

**Notice of Dispute:** A party who intends to seek arbitration must first send to the other, by certified mail, a written Notice of Dispute ("Notice"). The Notice to you should be sent to the following address: **ATTN:** Nelnet Servicing, LLC, d/b/a Firstmark Services (Nelnet) Ste 201, 121 South 13<sup>th</sup> St, Lincoln, Nebraska, 68508 ("Notice Address"). The Notice must (a) describe the specific nature and basis of the Claim; and (b) set forth the specific relief sought. If you and I do not reach an agreement to resolve the Claim within 30 days after the Notice is received, you or I may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by you, or I shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you or I are entitled.

**Location of Arbitration:** All in-person hearings and conferences in the arbitration shall take place at a locale within the federal judicial district in which I reside, unless I and you agree otherwise.

**Choice of Law:** This Arbitration Provision is made pursuant to a transaction involving interstate commerce. The arbitrator shall apply federal law to the fullest extent possible, and the substantive and procedural provisions of the Federal Arbitration Act (9 U.S.C. §§1-16) (the "FAA"), and no state law governing arbitration shall govern this Arbitration Provision or any issues relating to the enforcement of the Arbitration Provision or the arbitrability of Claims between the parties.

**Costs, Fees and Expenses of Arbitration:** Each party shall bear the expense of its own counsel, experts, witnesses and preparation and presentation of proofs. All fees and expenses of the arbitrator and administrative fees and expenses of the arbitration shall be paid by the parties as provided by the Consumer Arbitration Rules of the AAA (even if another arbitration service provider administers the arbitration) governing the proceeding, or by agreement of the parties.

**Relief and Remedies:** The arbitrator shall have the authority to award monetary damages and may grant any non-monetary remedy or relief available by applicable law and rules of the arbitration service provider. The arbitrator will have no authority to award consequential damages, indirect damages, treble damages or punitive damages, or any monetary damages not measured by the prevailing party's economic damages, except as permitted by applicable law. The arbitrator will have no authority to award attorney's fees except as expressly provided by this Arbitration Provision, the Note, or authorized by law (such as where a party brings a claim under a statute that provides for attorney's fees to be awarded to the prevailing party) or by the rules of the arbitration service provider, in which case such attorney's fees and costs will be available to the prevailing party whether claimant or respondent. Upon the timely request of either party, the arbitrator shall write a brief explanation of the basis of his or her award. If the arbitrator determines that any claim or defense is frivolous or wrongfully intended to oppress the other party, the arbitrator may award sanctions in the form of fees and expenses reasonably incurred by the other party (including arbitration administration fees, arbitrator's fees, and attorney, expert and witness fees), to the extent such fees and expenses could be imposed under Rule 11 of the Federal Rules of Civil Procedure.

**Class and Consolidated Actions:** THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS WITHIN THE SCOPE OF THIS ARBITRATION PROVISION TO BE ARBITRATED OR LITIGATED ON A CLASS BASIS OR FOR THE CLAIMS OF MORE THAN ONE BORROWER AND/OR COSIGNER TO BE ARBITRATED OR LITIGATED JOINTLY OR CONSOLIDATED WITH ANY OTHER BORROWER AND/OR COSIGNER CLAIMS.

**Arbitrator's Award:** Any state or federal court with jurisdiction and venue may enter an order enforcing this Arbitration Provision, enter judgment upon the arbitrator's award and/or take any action authorized under the FAA. For any arbitration-related proceedings in which courts are authorized to take action under the FAA, each party expressly consents to the non-exclusive jurisdiction of any state court of general jurisdiction or any state court of equity that is reasonably convenient to me, provided that the parties to any such judicial proceedings shall have the right to initiate such proceeding in a federal court or remove the proceeding to a federal court, if authorized to do so under applicable federal law.

**Survival, Severability and Right to Waive:** If any part or parts of this Arbitration Provision are found to be invalid or unenforceable by a decision of a tribunal of competent jurisdiction, then such specific part or parts shall be of no force or effect and shall be severed, but the remainder of the Arbitration Provision shall continue in full force and effect. Any or all of the limitations set forth in this Arbitration Provision may be specifically waived by the party against whom the limitation is asserted. Such waiver shall not waive or affect any other portions of this Arbitration Provision. This Arbitration Provision shall survive my full payment of the Loan, your sale or transfer of the Loan, any bankruptcy or insolvency, any forbearance or modification granted pursuant to this Loan or any disbursements under the Loan, and any change in my school enrollment status.

**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 I send must include my name, address, telephone number and loan or account number. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. I may only submit a Claim Notice on my 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.

**I HAVE READ THIS ARBITRATION PROVISION CAREFULLY AND UNDERSTAND THAT IT LIMITS OR WAIVES CERTAIN RIGHTS, INCLUDING THE RIGHT TO MAINTAIN A COURT ACTION (OTHER THAN IN SMALL CLAIMS OR SIMILAR COURT, AS SET FORTH IN THIS ARBITRATION PROVISION, OR IN AN ACTION TO ENFORCE THE ARBITRATOR'S AWARD), THE RIGHT TO A JURY TRIAL, THE RIGHT TO PARTICIPATE IN ANY FORM OF CLASS OR CONSOLIDATED CLAIM, AND THE RIGHT TO ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED IN THE APPLICABLE ARBITRATION RULES. OTHER RIGHTS THAT LENDER WOULD HAVE IN COURT ALSO MAY NOT BE AVAILABLE IN ARBITRATION.**

**I CERTIFY THAT NO EMPLOYEE OR REPRESENTATIVE OF THE LENDER HAS STATED OR IMPLIED ANYTHING CONTRARY TO WHAT IS WRITTEN IN THIS ARBITRATION PROVISION.**

**19. COSIGNER**

By signing this Note as Cosigner, I acknowledge that, except after you have released me from my obligations under this Note, including after the death of the Student if required by law, (a) you may proceed directly against me without first proceeding against the Borrower, and (b) I am fully responsible for paying all amounts due under this Note, in full, even if the Borrower is released from liability on this Note for any reason.

I further understand that I may be eligible for release from liability of this note if properly requested provided the account is in current standing, after 24 months of consecutive & on-time payments, (except for states that require borrowers to have made 12 months of consecutive and on-time payments) and the remaining borrower meets the Lender's then required credit underwriting criteria.

**20. STATE AND LOCAL TAXES AND FEES (if applicable):**

I understand that I am responsible for payment of any and all taxes and/or fees imposed by any state or local government authority arising as a result of the indebtedness evidenced by this note.

**21. FEDERAL LAW NOTICES**

I understand that the following notice is only applicable to loans issued to finance educational expenses at for-profit educational institutions or institutions otherwise subject to the FTC Holder Rule under 16 C.F.R. Section 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.**

**22. STATE SPECIFIC DISCLOSURES.**

I understand that the following notices are required by or necessary under state law and that these notices may not describe all of the rights that I have under state and federal law. Unless otherwise indicated, each notice applies to borrowers and cosigners who live in the indicated state on the date that they signed the application and to borrowers and cosigners who are residents of the state.

(For purposes of the following notices, unless the context specifically requires otherwise, the word "you" means the Student.)

**ALABAMA RESIDENTS:** CAUTION – IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

**CALIFORNIA AND UTAH RESIDENTS:** As required by California and Utah law, I am hereby notified that a negative credit report reflecting on my credit record may be submitted to a credit reporting agency if I fail to fulfill the terms of my credit obligations.

**FLORIDA RESIDENTS ONLY:** Florida documentary stamp tax required by law in the amount of \$.35 per \$100 has been paid or will be paid directly to the Department of Revenue. Certificate of Registration No. 74-8013178058-6, 158012442387-9, 26-8014936671-7, 20-8012981201-4, 39-8012442384-0, 62-8012442382-2, 39-8012442385-7, 63-8012442388-3, 58-8014937197-6, 58-8012442390-8, 16-8014936716-8, 39-8013431264-0, 23-8014941336-4, 238014941335-7, 16-8014936718-2, 23-8014936878-5.

**IOWA RESIDENTS ONLY:** If you are an Iowa resident and your amount financed is \$25,000 or less, this is a consumer credit transaction. **IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.**

**IOWA KANSAS AND NEBRASKA RESIDENTS ONLY:** (For purposes of the following notice, the word “you” refers to the Student Borrower and the Cosigner(s), if applicable, not the Lender): **NOTICE TO CONSUMER.** This is a consumer credit transaction. 1. DO NOT SIGN THIS NOTE BEFORE YOU READ IT. 2. YOU ARE ENTITLED TO A COPY OF THIS NOTE. 3. YOU MAY PREPAY THE UNPAID BALANCE AT ANY TIME WITHOUT PENALTY AND MAY BE ENTITLED TO A REFUND OF UNEARNED CHARGES IN ACCORDANCE WITH LAW.

**MARYLAND RESIDENTS ONLY:** Lender and I have agreed that this Note is governed by federal law and the laws of Wisconsin without regard to conflict of laws rules; if any court should nevertheless determine that this Note is subject to Maryland laws concerning credit, then only to the extent that Maryland law applies, Lender elects to make this Loan pursuant to Subtitle 10, Credit Grantor Closed End Credit Provisions, of Title 12 of the Commercial Law Article of the Annotated Code of Maryland, only to the extent that such provisions are not inconsistent with Lender’s authority under federal law (12 U.S.C. §85) and related regulations and interpretations, which authority Lender expressly reserves.

**MASSACHUSETTS RESIDENTS ONLY:** Massachusetts law prohibits discrimination based upon marital status or sexual orientation.

**MICHIGAN RESIDENTS ONLY:** The “Promise to Pay” section above applies to me only to the extent not in conflict with the following language which is incorporated into that section by reference: I understand and agree that I will not be required to pay compound interest in any form, and therefore, my unpaid principal balance will include only the Principal Amount and not any accrued interest added thereto; for avoidance of doubt, I understand and agree that if this sentence is applicable to my Loan, I will be required to pay any and all accrued interest, but will not be required to pay any additional compounding interest on previously accrued interest.

**MISSOURI RESIDENTS ONLY: ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FORBEAR FROM ENFORCING REPAYMENT OF DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT ME (BORROWER OR COSIGNER) AND YOU (THE LENDER) 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.**

**MONTANA RESIDENTS ONLY:** Lender and I have agreed that this Note is governed by federal law and the laws of Wisconsin unless they conflict with the laws or rules of Montana; if there is a conflict this Note is subject to Montana laws concerning credit, then only to the extent that Montana law applies, Lender and I agree and elect that this Loan is made under and governed by the laws in the State of Montana.

**NEVADA RESIDENTS ONLY:** This is a loan for study.

**NEW HAMPSHIRE RESIDENTS:** If we refer this Note to an attorney for collection, you agree to pay our reasonable attorneys’ fees. However, if you prevail in a) any action, suit, or proceeding we bring, or b) an action brought by you in connection with this Note, or if you successfully assert a partial defense or setoff, recoupment, or counterclaim to an action brought by us, the court may withhold from us the entire amount or such portion of the attorneys’ fees as the court considers equitable.

**NEW JERSEY RESIDENTS ONLY:** The section headings of the 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 (i) by you which are or may be permitted by “applicable law” are permitted by New Jersey law, and (ii) that may or will be taken by you unless prohibited by “applicable law” are permitted by New Jersey law. Any waiver of a right established by the New Jersey Contacts law does not apply to this Note.

**NEW YORK, RHODE ISLAND and VERMONT RESIDENTS:** I understand and agree that you may obtain a consumer credit report in connection with this application and in connection with any updates, renewals or extensions of any credit as a result of this application. If I ask, I will be informed whether or not such a report was obtained and, if so, the name and address of the agency that furnished the report

I also understand and agree that you may obtain a consumer credit report in connection with the review or collection of any loan made to me as a result of this application or for other legitimate purposes related to such loans.

**NEW YORK RESIDENTS ONLY:** If any debt incurred on the account is ever in default, that fact may become a part of your credit record.

**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.

**OKLAHOMA RESIDENTS ONLY:** If you are in default and only if the total amount disbursed under this Note is greater than \$6,200 (or any higher dollar amount established by law for the payment of such fees), you agree to pay the Lender's attorney's fees and court costs up to 15% of the unpaid debt.

**TEXAS RESIDENTS ONLY:** Lender does not have to give you notice that Lender is demanding or intends to demand immediate payment of all that you owe.

**UTAH RESIDENTS ONLY:** This Note is the final expression of the agreement between me and you and it may not be contradicted by evidence of an alleged oral agreement. As required by Utah law, you are hereby notified that a negative consumer credit report reflecting on your credit record may be submitted to a consumer credit reporting agency if you fail to fulfill the terms of your credit obligations.

**VERMONT RESIDENTS ONLY:** For purposes of this notice, the word "you" means the Cosigner(s). **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.**

**WASHINGTON RESIDENTS ONLY:** The "Promise to Pay" section above applies to me only to the extent not in conflict with the following language which is incorporated into that section by reference: I understand and agree that I will not be required to pay compound interest in any form, and therefore, my unpaid principal balance will include only the Principal Amount and not any accrued interest added thereto; for avoidance of doubt, I understand and agree that if this sentence is applicable to my loan, I will be required to pay any and all accrued interest, but will not be required to pay any additional compounding interest on previously accrued interest.

**WEST VIRGINIA RESIDENTS ONLY:** Any provision in this Note authorizing the holder of this Note to collect attorneys' fees in the event of a default are void if the party being sued for collection is a resident of the State of West Virginia.

The "Promise to Pay" section above applies to me only to the extent not in conflict with the following language which is incorporated into that section by reference: I understand and agree that I will not be required to pay compound interest in any form, and therefore, my unpaid principal balance will include only the Principal Amount and not any accrued interest added thereto; for avoidance of doubt, I understand and agree that if this sentence is applicable to my loan, I will be required to pay any and all accrued interest, but will not be required to pay any additional compounding interest on previously accrued interest.

**WISCONSIN RESIDENTS ONLY:** If I am a married Wisconsin resident: (1) My signature confirms that this loan obligation is being incurred in the interest of my 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 your interest unless, prior to the time that the loan is approved, you are furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. (3) My spouse has actual knowledge that this credit is being extended to me 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 I receive with this Note.

## **23. FEDERAL LAW NOTICES**

### **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:**

To help the government report the finding 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 me: When I apply for a student loan, you will ask for my name, address, date of birth and other information that will allow you to identify me. You may also ask to see my driver's license or other identifying documents.

### **REPORTING INFORMATION TO A CREDIT BUREAU:**

**NOTICE:** The Lender may report information about the account to credit bureaus. Late payments, missed payments, or other defaults on the account may be reflected in the borrower's credit report.

If you believe that any information about your loan that the Lender has furnished to a consumer reporting agency is inaccurate, or if you believe that you have been the victim of identity theft in connection with any other loan, write to us at the customer service address provided to you on your monthly statement, or notify us by calling or emailing through information provided on our website. . In the

communication you must (i) provide your name and the loan or account 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, you must submit an identity theft affidavit or identity theft report.

**COMMUNICATIONS UNDER THE FEDERAL BANKRUPTCY CODE:** Any communication with you required or permitted under the Federal Bankruptcy Code must be in writing, must include your account number and must be sent to the customer service address provided to you on your monthly statement.

**NOTICE TO COSIGNER, if any:** (In this Notice to Cosigner, “you” and “your” mean any Cosigner signing this Note.)

You are being asked to guarantee this debt. Think carefully before you do. If the Borrower doesn’t pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility. You may have to pay up to the full amount of this debt if the Borrower does not pay. You may also have to pay late charges and/or collection costs (including attorney fees and court costs), which increases this amount.

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, garnishing your wages, etc. If this debt is ever in default, that fact may become part of *your* credit record.

This notice is not the contract that makes you liable for the debt.

**CAUTION: IT IS IMPORTANT THAT EACH BORROWER AND COSIGNER THOROUGHLY READS THIS NOTE BEFORE SIGNING BELOW.** This Note contains all of the terms and conditions that apply to the Loan. This Note completely replaces any earlier understandings or communications any Borrower or Cosigner may have had with Lender, the Eligible Institution, or any other party about the Loan.

By my signature, I acknowledge that I have read and understood the information contained in the Application and Note , including the terms on the preceding pages and agree to be bound by those terms, including, but not limited to, the Promise to Pay (Section 3) and the Arbitration Agreement (Section 18) of the Note. I certify that the information provided by me is true and accurate to the best of my knowledge and belief. The instructions to the Application are incorporated into and made a part hereof. By submitting my Application, I authorize the Lender to obtain credit or similar reports from one or more consumer credit reporting agencies in connection with my Application. I and each of us agree to the terms of this Note and acknowledge receiving a completed copy of this Note. Furthermore, I and each of us understand that consummation of this transaction does not occur upon the signing of this Note, but rather upon the disbursement of funds by the Lender as set forth in Section 3 above, meaning that my obligations under this Note only arise once such funds are disbursed. I and each of us, agree that any and all proceeds of this Loan will be used solely for educational purposes as set forth in Section 4 above.

The originating Lender to which my Application is directed is the Bank of Lake Mills, in Lake Mills, Wisconsin. The is not offered or made by the Eligible Institution listed in the Application. It is being offered and made by Bank of Lake Mills.

I authorize the Lender to consider my Application as an application for the lowest cost loan for which I am qualified under this program. I understand and acknowledge that Bank of Lake Mills, its employees and agents, do not in any way endorse, promote or make any representations concerning the quality or financial strength of any educational institution. It is my responsibility to determine the quality and financial strength of the educational institution. Any listing of educational institutions by Bank of Lake Mills, its employees or agents, is solely for application submission and does not represent an endorsement of any educational institutions. This disclaimer may not be waived or modified by any employee or agent of Bank of Lake Mills, its affiliates or subsidiaries.

**NOTICE TO CONSUMER:** In the following Notice, the word “you” refers to the Borrower and Cosigner. **DO NOT SIGN THIS BEFORE YOU READ THE WRITING ON THE FOLLOWING PAGES, EVEN IF OTHERWISE ADVISED. DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE UNDER THIS AGREEMENT WITHOUT PENALTY AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE IN ACCORDANCE WITH LAW.**

**I UNDERSTAND THAT THIS IS A LOAN THAT I MUST REPAY.**

BORROWER

X	Date (mm/dd/yyyy)
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**ARIZONA RESIDENTS ONLY:** For purposes of this notice, the words “you” and “your” refer to the Cosigner: Marital Community Property Joinder: If you are a married Arizona resident your signature confirms that this loan obligation is being incurred in the interest of your marriage or family and that you will properly notify your spouse and join him or her to this loan obligation in accordance with Ariz. Rev. Stat. § 25-214 or other applicable law. You further affirm that no provision of any marital property agreement or court decree adversely affects your interest in this loan obligation

**VERMONT RESIDENTS ONLY:** For purposes of this notice, the word “you” means the Cosigner(s). **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.**

NOTICE TO COSIGNER, if any: (In this Notice to Cosigner, “you” and “your” mean any Cosigner signing this agreement.)

You are being asked to guarantee this debt. Think carefully before you do. If the Borrower doesn’t pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of this debt if the Borrower does not pay. You may also have to pay late charges, which increases the amount.

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, garnishing your wages, etc. If this debt is ever in default, that fact may become part of your credit record.

This notice is not the contract that makes you liable for the debt.

Prior to signing this Note below, I have read and understood all the provisions of this Note (including without limitation Sections 17 and 19 and the Notice to Cosigner). I agree to the terms of this Note and acknowledge receiving a completed copy of this Note.

COSIGNER

<b>X</b>	Date (mm/dd/yyyy)
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CALIFORNIA, COLORADO, IOWA, SOUTH CAROLINA, WEST VIRGINIA AND WISCONSIN RESIDENTS WITH A COSIGNER: You must read and sign the cosigner notification page.

## Designation of Authorized Representative Form

Student Borrowers can designate an individual to have the legal authority to act on behalf of the student borrower with respect to this private education loan in the event of the death of the student borrower. This designation must include the borrower's and representative's handwritten signatures.

### **DESIGNATION OF AUTHORIZED REPRESENTATIVE BY STUDENT BORROWER**

I, \_\_\_\_\_, request the following person:

Print Name of Student Borrower

\_\_\_\_\_ to be my authorized representative for

Print Name of Authorized Representative

Application identification number \_\_\_\_\_.

Application Identification Number

I understand that I, or the designated authorized representative, may terminate this designation in writing at any time by contacting the servicer of the loan at the address on any billing statement you may send to me.

\_\_\_\_\_  
Signature of Student Borrower

\_\_\_\_\_  
Date of Birth (For Identification Purposes)

\_\_\_\_\_  
Date

### **STATEMENT OF DESIGNATED REPRESENTATIVE**

I believe the above-named individual understands the nature and consequences of his/her acts and is able to exercise his/ her own will. I certify the above-named individual made the decision to designate me as his/her representative under no threat or duress of any kind.

I certify under penalty of perjury, the information I provide is correct and complete to the best of my knowledge.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

# **Refinance Loan Product**

**BANK OF LAKE MILLS**  
**REFINANCE LOAN PROMISSORY NOTE**  
**(Student Loan)**

Maximum Principal Sum (exclusive of capitalized interest)	Loan Date	Account ID	Loan Number	Applicable Index

**Student  
Borrower:**

**Lender:**

**Bank of Lake Mills  
c/o CampusDoor  
4900 Ritter Road  
Suite 240  
Mechanicsburg, PA 17055**

**Cosigner:**

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*(No alterations, scratch outs or white-outs will be accepted on this form.)*

**1. IDENTIFICATION OF TERMS AND PARTIES**

The term “Note” as used in this document refers to this Promissory Note (the “Note”) and all of the terms and conditions set forth herein, including without limitation the Final Disclosure Statement, are part of this Note and are incorporated herein by this reference.

In this Note, the words “I,” “me,” “mine,” “me,” and “us” mean each and every person who signs this Note as Borrower or as Cosigner, jointly and severally, unless the applicable language specifically refers to only one or the other or specifies a different meaning. Furthermore, the words “you” and “your” and “yours” mean the Lender, as further defined in Section 2.

**2. DEFINITIONS.**

“**Acceptance Period**” means the thirty (30) calendar day period following the date on which I receive the Approval Disclosure Statement for the Loan disclosed therein.

“**Application**” means the written request that I make to you in such form as required by you for a Loan.

“**Application and Solicitation Disclosure Statement**” means the statement provided to me, which discloses, among other things, information about applicable Interest rates, fees, default, late payment costs, repayment terms, including an example of the total cost of a Loan based upon the maximum Interest rate offered by the Lender, as required by Regulation Z, and which is included on or with my Application.

“**Approval Disclosure Statement**” means the statement provided to me, which discloses, among other things, information specific to the applicable Loan approved by the Lender, as required by Regulation Z, and which is included on or with notice to me that the Lender has approved my Application.

“**Business Days**” generally means Monday through Friday, excluding (a) days when a bank in the State of Wisconsin is required or permitted to be closed, and (b) days when the New York Stock Exchange is closed; except that, for purposes of the Cancellation Period, “Business Day” shall have the meaning given to that term in Regulation Z.

“**Cancellation Period**” means the period during which I have the right to cancel a Loan, without penalty, which period expires at midnight of the third (3rd) Business Day following my receipt of the related Final Disclosure Statement, as specified in the Right to Cancel box at the top of the Final Disclosure Statement.

“**Cosigner Notice**” means any applicable notice that describes the obligations of a Cosigner under this Note and that is signed by my Cosigner with respect to the Loan that I obtain subject to the terms of this Note.

“**Disbursement Date**” means the date that the Lender funds the Loan in accordance with and subject to the terms and conditions of this Note, which in no event shall be prior to the Loan Start Date.

**“Disclosure Statement”** means, as applicable, an Application and Solicitation Disclosure Statement, Approval Disclosure Statement and/or Final Disclosure Statement, as required by Regulation Z, or such other disclosure statement that you may provide when a disclosure statement is not required by Subpart F of Regulation Z.

**“Final Disclosure Statement”** means the statement that discloses information specific to my Loan including, among other things, my right to cancel the Loan during the Cancellation Period, as required by Regulation Z, which will be provided to me if I accept the Loan within the Acceptance Period.

**“Fixed Rate”** means an interest rate that will remain the same for the entire length of the loan.

**“Interest”** means interest that accrues on the unpaid Principal balance of the Loan, as described in Section 8 of this Note.

**“Lender”, “you” and “your”** mean Bank of Lake Mills, or any subsequent holder of this Note, and also any agent or servicer acting on behalf of Lender or any subsequent holder of this Note, unless the applicable language specifies a different meaning.

**“Loan”** means any and all loan advances made by the Lender under the terms and conditions of this Note, plus interest and other charges and fees that may become due as provided in this Note.

**“Loan Amount Requested”** means the amount of the Loan requested at the time of my Application.

**“Loan Start Date”** means the date on which my Cancellation Period expires.

**“Maturity Date”** means the date the final payment is due as disclosed in the applicable Final Disclosure Statement provided to me.

**“Note”** means this Promissory Note and, as applicable, the Application, Disclosure Statements, and Cosigner Notices referenced herein, except as otherwise provided in any of the foregoing.

**“Post Disbursement Payment”** means the monthly payments disclosed in the applicable Final Disclosure Statement that I will make to the Lender beginning no less than twenty-one (21) calendar days following the Disbursement Date and continuing thereafter until the Loan is paid in full.

**“Principal”** means the amounts paid on my behalf under this Note, which shall include any fees, charges, capitalized interest, and other amounts added to the Principal of the Loan pursuant to this Note, including any Loan Origination Fee, if applicable.

**“Repayment Period”** means the time that I am required to make payments and ending when the Loan is paid in full. The Repayment Period will vary based on the amount of the Loan but is subject to limitations based upon applicable law and will not exceed the period I selected, as shown in the Final Disclosure Statement. If I have a Variable Rate Loan, my payments will be reamortized periodically, if needed, to meet the Repayment Period.

**“Regulation Z”** means the federal regulation implementing the Truth-in-Lending Act, as implemented by the Consumer Financial Protection Bureau at 12 C.F.R. Part 1026.

**“Qualified Higher Education Expenses”** means educational expenses as defined in Section 221 of the Internal Revenue Code.

**“Servicer”** means a third-party that has a contractual agreement to service the Note, including, but not limited to, invoicing and collecting payments under this Note for or on behalf of Lender.

**“Variable Rate”** An interest rate that may rise or fall throughout the life of the loan, due to changes in the underlying interest rate index.

### **3. PROMISE TO PAY – IMPORTANT – READ THIS CAREFULLY**

I promise to pay to the order of Lender all Principal sums disbursed under this Note and, in addition, pay Interest as described in Section 8 of this Note, the Loan Origination Fee as described in Section 7 of this Note, late charges and returned payment fees, and any other collection costs that are permitted by applicable law, including without limitation, collection agency charges, reasonable attorneys’ fees, and actual court costs (including fees and costs in bankruptcy court and in appellate courts) and other costs of collection incurred by Lender or Servicer as the result of a default (including without limitation arbitration-related costs that may be awarded by an arbitrator pursuant to the Arbitration Provision). I understand that I will be liable to pay all of these amounts, in full, even if another person also signs this Note. I agree to make payments on the Loan in accordance with the applicable payment schedule even if I do not receive a bill or repayment notice. I will not sign this Note before reading the entire Note, even if I am told I am not required to read it. I am entitled to receive an exact copy of this Note.

#### **4. WHEN BOUND; AUTHORITY NOT TO MAKE LOANS OR DISBURSEMENTS; RIGHTS TO ACCEPT OR CANCEL; RECEIPT OF MAILED DISCLOSURE STATEMENTS**

- A. I understand that when you accept my signed Note, you are not agreeing to lend me money and I am not bound by the terms and conditions set forth in this Note, and there is no such agreement until the Loan Start Date. If you decide to make a Loan to me, I hereby authorize you at your option and on my behalf to either electronically transfer the Loan funds to the servicers or holders of the underlying loans to be refinanced and/or consolidated or to mail paper checks to those servicers as satisfaction of the underlying loans to be refinanced and/or consolidated. You have the right to not make the Loan or not make a disbursement on the Loan, as permitted by applicable law. Further, you have the right to lend an amount more or less than the Loan Amount Requested based upon information received from me or any servicer on an underlying loan or based on my eligibility at the time of my request. I agree to accept an amount more or less than the Loan Amount Requested and to repay that portion of the Loan Amount Requested that you actually lend to me.
- B. I expressly acknowledge that you are disbursing proceeds to the servicers of the underlying loans in reliance upon information that I have provided on my Application and via subsequent documentation. I also expressly acknowledge that any outstanding balances that exist on an underlying loan after you disburse proceeds to the servicer of that loan will continue to be my sole responsibility and that you make no representation as to the full satisfaction of any underlying loan being consolidated. Therefore, any fees, penalties or other charges that I may incur after the disbursement of proceeds to an underlying servicer are my sole responsibility.
- C. By signing this Note, and submitting it to the Lender, either directly or through the loan originator, I am requesting that you make a Loan to me in the amount set forth on my related Application and on the terms and conditions set forth in this Note. If you approve this request and agree to make a Loan, you will provide me with an Approval Disclosure Statement, as required by law, in a written or electronic form, as applicable. After my receipt of the Approval Disclosure Statement, I have the right to accept the Loan terms at any time during the Acceptance Period or such other date provided on the Approval Disclosure Statement, whichever is later, electronically through my on-line account or by contacting you at the address or phone number set forth on the Approval Disclosure Statement.
- D. Following my acceptance of the Loan terms, as provided in Section 4.C. above, and prior to the disbursement of any loan proceeds hereunder, you will provide me with a Final Disclosure Statement, as required by law, in a written or electronic form, as applicable. The Final Disclosure Statement will include, among other things, my right to cancel the Loan, without penalty, at any time before the Cancellation Period expires.
- E. In accordance with Regulation Z, whenever you mail to me any Disclosure Statement that is required to be provided to me under this Note or by law, I will be deemed to have received the applicable Disclosure Statement three (3) Business Days after the Lender places the applicable Disclosure Statement in the mail unless the Lender obtains actual knowledge of my receipt prior to such three-day period.

#### **5. CERTIFICATION OF BORROWER; LOAN PURPOSE**

I certify that the information contained in my Application is true, complete and correct to the best of my knowledge and belief and is made in good faith. I certify, represent and warrant that the proceeds of my Loan will be used to refinance and/or consolidate and attempt to satisfy post-secondary loans that were originally incurred by me for qualified higher education expenses. I understand that I am responsible for repaying immediately any funds that I receive which are not to be used or which are not used to refinance and/or consolidate my educational purpose loans. I hereby authorize any third party such as a custodian, receiver, bankruptcy trustee or trustee for a performance bond or tuition recovery fund to pay to you any refund which may be due up to the amount of my Loan.

#### **6. DISBURSEMENTS AND REAMORTIZATION**

**Disbursements:** Before you make the disbursement for the Loan made hereunder, you will provide me with the Final Disclosure Statement that applies to the Loan in accordance with Regulation Z. You will not disburse any Loan funds on my behalf until after my Cancellation Period expires. I acknowledge that Lender will disburse my Loan (in Lender's sole discretion) either by (a) transmitting funds electronically to the servicers of the underlying loans as identified by me, to be applied to the Borrower's account or (b) by issuing checks made payable to each of the servicers of the underlying loans. If a charge is imposed on Lender for the transfer of the funds to the servicer's account for my benefit, I agree to pay that charge when asked by Lender except where prohibited by law. If I return all or part of the Lender's disbursement for whatever reason, Lender will apply any amount it receives to what I owe under this Note (as described in the last paragraph of Section 9), and if I have paid Lender in full, Lender will then refund any excess to me.

**Reamortization:** I agree that you may reamortize the amounts due under this Note. If you decide to do so, you shall provide me with the applicable Disclosure Statement setting forth the amount of the reamortized Loan and any additional terms of the reamortized Loan.

#### **7. LOAN ORIGATION FEE**

I agree to pay Lender the loan origination fee set forth in the applicable Final Disclosure Statement (the "Loan Origination Fee") that is a percentage of my disbursed Principal (not including the amount of the Loan Origination Fee) on the Loan Start Date. At the time Lender disburses my Loan, Lender will add the Loan Origination Fee to the Principal of my Loan. The Loan Origination Fee is fully earned by Lender on the Disbursement Date and, except as may otherwise be required by law, will not be rebated if I prepay all that I owe under this Note or this Note is otherwise accelerated.

#### **8. INTEREST**

##### **Variable Interest Rate Loans:**

**Interest Accrual for Variable Rate Loans:** Beginning on the Disbursement Date, Interest will accrue and be charged on the Principal of the Note (including any Loan Origination Fee) and on any unpaid Interest later added to the Principal as set forth herein. Variable Interest will continue to accrue and be charged on the Principal balance of the Note until all amounts are paid in full. Interest will be calculated on a daily simple interest basis and will vary in accordance with the "Variable Rate" provisions. The daily interest rate will be equal to the annual

interest rate in effect on that day, divided by the average number of days in a calendar year (365.25). Interest accrues on the unpaid Principal balance of the Loan (including any Loan Origination Fee) from the Disbursement Date until the date the Loan is repaid in full.

**Variable Rate.** The Interest for a variable rate loan shall be a variable interest rate equal to the applicable “Index” as defined below, plus the applicable “Margin” as determined by the FICO Score of the Borrower or the Cosigner, if applicable. FICO Score means a numerical value or categorization derived from a statistical tool or modeling system developed by Fair Isaac Corporation that is used by a person who makes or arranges a loan to predict the likelihood of certain credit behaviors, including default. The interest rate applicable from the Disbursement Date through the end of the current month will be set forth in the Final Disclosure Statement. The interest rate will then change on the first day of each subsequent month if the applicable Index changes (each, a “Change Date”). The “Index” that will be used each month to determine the applicable interest rate for the following month is identified at the top of this Note (under the heading “Applicable Index”) and shall be 30-Day Average SOFR Index as described below. If the applicable Index is no longer available, it will be replaced in accordance with the provisions set forth below.

**30-Day Average SOFR Index.** This is a benchmark index that is calculated and provided to the general public by an administrator (“Administrator”) and is currently published by the Federal Reserve Bank of New York.

**Calculation of Rate.** For purposes of calculating the new interest rate on each Change Date, the Lender will use the most recent applicable Index value available as of two Business Days before the Change Date (called the “Current Index”), provided that if the Current Index value is less than zero, the Lender will deem the Current Index to be equal to zero. To derive the applicable rate, the Lender will add the applicable Margin to the Current Index, rounded to the nearest one hundredth of one percent. The “Margin” that will be used is the margin shown as such in the Final Disclosure Statement, unless a replacement is provided in accordance with the terms set forth below. The interest rate shall never exceed 18%.

**Replacement Index and Replacement Margin.** The applicable Index will be deemed to be no longer available and will be replaced if any of the following events (each, a “Replacement Event”) occur: (i) the applicable Administrator has permanently or indefinitely stopped providing the Index to the general public; or (ii) the applicable Administrator or its regulator issues an official public statement that the Index is no longer reliable or representative.

If a Replacement Event occurs, the Lender will select a new index (the “Replacement Index”) and may also select a new margin (the “Replacement Margin”) as follows:

- A. If a replacement index has been selected or recommended for use in consumer products, including variable rate private student loans, by the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, or a committee endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York at the time of a Replacement Event, the Lender will select that index as the Replacement Index.
- B. If a replacement index has not been selected or recommended for use in consumer products under subsection A above at the time of a Replacement Event, the Lender will make a reasonable, good faith effort to select a Replacement Index and a Replacement Margin that, when added together, the Lender reasonably expects will minimize any change in the cost of the Loan, taking into account the historical performance of the Index and the Replacement Index.

The Replacement Index and Replacement Margin, if any, will be operative immediately upon a Replacement Event and will be used to determine the interest rate and monthly payments on Change Dates that are more than 45 days after a Replacement Event. The Index and Margin could be replaced more than once during the term of this Note, but only if another Replacement Event occurs. After a Replacement Event, all references to the “Index” and “Margin” will be deemed to be references to the “Replacement Index” and “Replacement Margin”. The Lender will give me notice of a Replacement Index and Replacement Margin, if any, and such other information required by applicable law and regulation.

#### **Fixed Interest Rate Loans:**

**Interest Accrual for Fixed Rate Loans:** Beginning on the Disbursement Date, Interest will be calculated at the Fixed Rate (see “Fixed Rate” below) and charged on the Principal sum, and on any unpaid Interest later added to the Principal Sum as set forth herein. Interest will be calculated at the Fixed Rate and charged on the Principal sum of the Note until all amounts are paid in full. Interest will be calculated on a daily simple interest basis. The daily interest rate will be equal to the annual interest rate in effect on that day, divided by the average number of days in a calendar year (365.25). Interest accrues on the unpaid Principal balance of the Loan (including any Loan Origination Fee) from the Disbursement Date until the date the Loan is repaid in full.

**Fixed Rate:** The interest for a Fixed Rate Loan will not increase or decrease for the life of the Loan. If at any time the fixed interest rate is not permitted by applicable law, interest will accrue at the highest rate allowed by applicable law, but in no event will the interest and other charges assessed under this Note exceed 18%.

#### **Variable Interest Rate and Fixed Interest Rate Loans:**

The Lender, at its discretion, may allow a deferment or forbearance of payments on the Loan. In such an event, any interest that has accrued during such periods shall also be capitalized at the end of the deferment or forbearance period and added to the outstanding principal of the loan.

**Interest After Default or Judgment:** If I default, and/or if Lender obtains a judgment against me on this Note, interest will continue to accrue on all amounts I owe under this Note at either the same Fixed Rate or the Variable Rate applicable to this Loan before default and before judgement.

## 9. REPAYMENT

**Repayment Period:** I will repay the Note as follows:

- A. **Post-Disbursement Payment.** Beginning no less than twenty-one (21) calendar days following the Disbursement Date, and on the same day of each month thereafter until the Maturity Date, I will pay the Post Disbursement Payment amount.
- B. **Making Payments.** I agree that my monthly payment will not be less than \$50.00. Also, I understand and agree that payments must be made in U.S. funds to the Lender at the address provided to me by the Lender or Servicer. I must send each payment in time to reach the Lender or Servicer on or before the due date.

**Prepayment:** I may, at my option, prepay all or any part of the Principal, Interest and other charges at any time before payment is due without penalty. Prepayment of less than the entire outstanding amount of my Loan will not reduce the amount of my required monthly payment but may reduce the number of payments I must make and/or the amount of my final payment.

**Application of Payments:** Notwithstanding anything to the contrary herein, payments will be applied first to late fees and other fees and charges, then to accrued Interest, and last to Principal. I understand that all accrued Interest must be paid before the outstanding Principal can be reduced. I will not send you partial payments marked "paid in full," "without recourse" or with other similar language unless those payments are marked for special handling. I also understand that if I send such a payment, Lender or Servicer may accept it without losing any rights under this Loan.

**Late Charges:** If you do not receive a payment by its due date, my Loan may be in default (see section 10). In addition, I will pay a late charge if you do not receive my full monthly payment within fifteen (15) days after it becomes due. The late charge will be five percent (5%) of the unpaid monthly payment (not just the portion that is late) or \$5.00, whichever is less, if permitted by law. A late fee will not be assessed when the delinquency is solely due to unpaid late fees assessed on prior delinquency installments.

**Returned Payment Fee:** I agree to pay the Lender or Servicer, as applicable, a returned payment fee of \$5.00 for any check or other instrument I give for my payment or electronic payment that is dishonored for any reason, or if my financial institution returns any of my payments to Lender unpaid, except as prohibited by applicable law. This fee is in addition to any fee that my financial institution may also charge me.

**Amount Owed at the End of the Repayment Period:** Since Interest accrues daily upon the unpaid Principal balance of my Loan (including capitalized Interest), if I make payments after my payment due dates, I may owe additional Interest and late charges at the end of the Repayment Period. In such cases, my last monthly payment shall be the amount necessary to repay my Loan in full, including the outstanding Principal balance, all accrued and unpaid Interest, and all other charges, fees and costs that are due under the terms of this Note.

**Payment Due Notwithstanding Withdrawal from School or Disability:** I understand that I have to repay this Loan in full, even if I withdrew, I was dismissed, failed to attend, or was dissatisfied with the education at any school for which the underlying loan financed educational expenses.

I, as the primary borrower (but not anyone else), understand that if I become totally and permanently disabled (TPD), my unpaid indebtedness on this Loan will not be canceled unless I can provide acceptable documentation of my TPD status consisting of certified copies or other documentation reasonably acceptable to you and could include the U.S. Department of Veterans Affairs determination that I am totally unemployable either due to a service-connected disability or based on an individual employability rating.

If the primary Borrower resides in a state that requires private lenders to discharge Borrower loans if the Borrower becomes totally and permanently disabled you may qualify for a loan discharge (except where required by state law, Cosigners are not eligible to be removed from the loan due to total and permanent disability). In order to establish total and permanent disability, the primary Borrower must demonstrate to our reasonable satisfaction that they are unable to engage in any substantial gainful activity due to a physical or mental impairment that began or deteriorated after the Disbursement Date and meets one of the following criteria: (a) can be expected to result in death; (b) has lasted for a continuous period of not less than sixty (60) months; or (c) it can reasonably be expected to last for a continuous period of not less than sixty (60) months. In addition to demonstrating TPD status to our reasonable satisfaction, a doctor of medicine or osteopathy, authorized to practice in the United States, must describe and certify the Borrower's TPD status on our TPD discharge form. You must continue making payments until we receive and process your TPD application. If we deny your request, you will have to continue making payments on this loan. If we grant your request, you must pay us any refund for tuition or educational expenses received from the school up to the amount due on your loan. If you do not do so, you will be in Default, and we can collect the refund plus interest and any accrued fees and costs from you.



The interest rate in effect on this Note will be reduced by 0.25% if either the Borrower or the Cosigner authorizes automated (ACH) payments from any bank account. This ACH interest rate reduction applies when payments are automatically drafted from a bank account. This interest rate reduction will not continue to apply during periods of approved forbearance or deferment. The ACH interest rate reduction will terminate if the automatic bank account payments discontinue or there are any three instances of insufficient funds at any time during the term of the loan.

**Death Waiver:** In the event of the Borrower's death, the unpaid indebtedness remaining on the Note will be cancelled if all of the following circumstances apply: (1) the Lender is notified of the Borrower's death and provided a copy of the death certificate, and (2) the Lender receives any other documentation reasonably requested by Lender and the Cosigner or the Borrower's representative otherwise cooperates with Lender while the request for debt cancellation is processed.

#### **10. DEFAULT**

To the extent permitted by applicable law, my Loan will be in default if any of the following occurs: (a) A monthly payment is not received on or before its due date; (b) I break any promise made in this Note; (c) Lender discovers any false or misleading statement in any information I have given Lender in connection with this Note or the Application for this Loan; (d) I fail to use the proceeds of this Loan solely for Qualified Higher Education Expenses; (e) I fail to provide notices to the Lender when required to do so by this Note; (f) I allow another person to forge my signature on any document; or (g) I fail to provide verification of enrollment status in the school when asked for it. If I live in Idaho, Kansas, Maine, Nebraska, or South Carolina, I will be in default if I fail to make a payment when due or the prospect of my payment or performance is significantly or materially impaired. If I live in Iowa, I will be in default if I fail to make a payment within 10 days of its due date or if the prospect of my payment or performance is significantly or materially impaired. If I live in West Virginia, I will be in default if I fail to make a payment within 5 days of its due date or if I otherwise fail to perform pursuant to this Note.

#### **11. LENDER'S REMEDIES AFTER DEFAULT**

If a default occurs, then after any applicable notice and right to cure such default that is required by applicable law, which notice shall be deemed to have been received three business days after Lender or Servicer mails it Lender may declare the entire balance of Principal, Interest and other charges owed under this Loan immediately due and payable, in full, without further notice to me. Lender may then take action to collect the entire Loan balance, including: (a) bringing a lawsuit against me and obtaining a judgment against me and/or (b) referring my Loan to a collection agency for further collection efforts. To the extent permitted by applicable law, I agree to pay any collection agency charges, reasonable attorneys' fees and actual court costs (including fees and costs in bankruptcy court and in appellate courts), and other costs of collection incurred by Lender as the result of a default. If my Loan is in default, then after any applicable waiting periods or notices required by applicable law, and as permitted by applicable law, Lender and Servicer may also disclose information about my default to one or more national consumer credit reporting agencies, which may adversely affect my ability to obtain other credit. To maintain a good credit rating, it is to my advantage to meet my obligations under this Note.

**I agree that you may report information about my Loan account to the Servicer and to credit reporting agencies. Late payments, missed payments, or other defaults on my Loan account may be reflected in my credit report.**

#### **12. NOTICES**

I must immediately notify Lender or Servicer, as applicable, in writing and in no event later than thirty (30) calendar days, after any of the following occurs: (a) a change in my primary address or telephone number; (b) a change in my name; (c) I cease to be enrolled at the school; or (d) I graduate from the school. Any notice I send to Lender (or Servicer, as applicable) will be sent to the address that Lender (or Servicer, as applicable) has most recently provided me for that purpose. If Lender has not provided any address to me, notices may be sent to the address shown on my monthly statements or coupon book.

#### **13. ELECTRONIC SIGNATURES**

This Note may be executed by means of electronic communication, such as an electronic online signature. Under this Note, a document must be signed with a digital or electronic signature that complies with the consumer consent and other applicable provisions of the Electronic Signatures in Global and National Commerce Act (E-Sign Act) (15 U.S.C. § 7001 et seq.).

#### **14. COMMUNICATING WITH ME**

To the extent permitted by applicable law, and without limiting any other rights you may have, I consent to the Lender, Servicer, and any of their affiliates or agents, communicating with me, in connection with my Application or Loan, using any phone number or email address that I provided in my Application, or using any phone number or email address that I provide to the Lender or Servicer in the future. The Lender, Servicer, and any of their affiliates or agents may communicate with me using any current or future means of communication, including, but not limited to, automated telephone dialing equipment, artificial or pre-recorded voice messages, SMS text messages, email directed to me at a mobile telephone service, or email otherwise directed to me. **THE LENDER AND/OR SERVICER MAY USE SUCH MEANS OF COMMUNICATION EVEN IF I WILL INCUR COSTS TO RECEIVE SUCH PHONE MESSAGES, TEXT MESSAGES, OR EMAILS.** Any notice required to be given to me will be effective as of the date sent if sent by first class mail to the latest address the Lender or Servicer has for me or, except as otherwise required by law, by electronic means to an address that I have provided.

#### **15. GOVERNING LAW; INVALID PROVISIONS; WAIVERS; EXTENSION, RENEWAL, OR RELEASE; ASSIGNMENT; CHANGES TO NOTE; CHANGES TO PAYMENT SCHEDULE; SAVINGS CLAUSE; NO ACCORD OR SATISFACTION;**

## **BANKRUPTCY; SET-OFF**

**Governing Law:** I understand and agree that Lender is headquartered in Wisconsin and the Loan will be disbursed by Lender from Wisconsin through a third-party agent. **Consequently, the provisions of this Note (except for Section 22) will be governed by federal law and (to the extent not preempted by federal law) the laws of the State of Wisconsin, without regard to conflict of law rules.** Section 17 (Arbitration Agreement) is governed by the Federal Arbitration Act, and not by any state law concerning arbitration.

**Unsecured Note:** Lender waives any right it may have under any other document to claim a security interest in property to secure this Note. This Note is unsecured.

**Invalid Provisions:** If any provision of this Note is held invalid or unenforceable in arbitration under Section 17 or by a court having jurisdiction, the remaining provisions of this Note shall not be affected, and this Note shall be construed as if such invalid or unenforceable provisions had not been included in this Note. However, Section 17 (Arbitration Agreement) shall be null and void if the "Class action waiver" paragraph in Section 17 is held to be invalid or unenforceable, as described more fully in Section 17 below.

**Waivers:** I waive my rights to require you to demand payment of amounts due (known as "presentment"), to give notice that amounts due have not been paid (known as "notice of dishonor"), to obtain an official certification of nonpayment (known as "protest"), and, to the extent permitted by applicable law, to give any other notices or demands in connection with this Note.

You may delay, fail to exercise, or waive any of your rights on any occasion without losing your entitlement to exercise any and all of your rights on any future occasion.

**Extension, Renewal or Release:** You may extend or renew this Note at your discretion, and you may release any one of us without affecting or releasing any of the rest of us.

**YOU AND I EACH WAIVE THE RIGHT TO A JURY TRIAL CONCERNING ANY CLAIM OR DISPUTE RELATING TO OR ARISING FROM THE APPLICATION, ANY DISCLOSURE STATEMENT, THIS NOTE, OR THE LOAN (REGARDLESS OF WHETHER THE CLAIM OR DISPUTE IS WITHIN THE SCOPE OF THE ARBITRATION PROVISION AND REGARDLESS OF WHETHER I OPT OUT OF THE ARBITRATION PROVISION).**

**Extension, Renewal or Release:** You may extend, renew or release me without affecting or releasing any other Borrower or Cosigner.

**Forbearance:** If I am unable to repay this Loan as required by the terms of this Note, I may ask for forbearance. I understand that granting a forbearance request is at Lender's sole option and in Lender's sole discretion, and that I will remain responsible for all Interest that continues to accrue during any period of forbearance to which Lender might agree.

**Deferment:** I understand that I may be eligible to receive a deferment of:

- Principal and Interest during a period when I am serving on active-duty military service during a war, military operation, or national emergency.
- I will remain responsible for all Interest that continues to accrue during any period of deferment.

**Assignment:** I may not assign this Note or any of its benefits or obligations. However, you have the right to assign your rights and duties under this Note without my consent and without notice to me. If this Note is sold or otherwise transferred, my rights under the law or under this Note are in no way altered or impaired.

**Loan Sale Notice:** I understand and acknowledge that my Loan may be sold while a balance remains outstanding. Such a sale will not result in any change in terms of my Loan as set forth herein.

**Changes to Payment Schedule:** I understand the Lender or Servicer may adjust the payment due dates and monthly payment amounts. If that happens, the Lender or Servicer will make the adjustment and advise me of the change on my next monthly statement. I agree that I will pay the amount shown on my monthly statement.

**Savings Clause:** If a law which applies to this Note and which sets maximum Interest or finance charges is finally interpreted so that the Interest or other charges collected or to be collected in connection with this Note exceeds the permitted limits, then: (a) any such charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. You may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial prepayment.

**No Accord and Satisfaction:** A restrictive endorsement on any payment item (such as "paid in full") will not be considered an accord and satisfaction of what I owe under this Note. If I dispute any amount owed you, I must write to **a Firstmark Services Ste 201, 121 South 13th St, Lincoln, Nebraska, 68508**, or such other address provided by you to me for correspondence.

**Bankruptcy:** If I file for bankruptcy, I may still be required to pay the amount due under this Note.

**Set-Off:** Whenever my Loan is in default (and regardless of whether you have declared the entire Loan balance to be immediately due and payable, in full), you may apply any funds of mine in your possession or control against amounts owed under this Loan without any notice.

**General:** Section and paragraph headings and captions in this Note are for convenience and reference purposes only and are not intended to limit the meaning of any provision of this Note. Whenever applicable in this Note, the use of the singular includes the plural and use of the plural includes the singular.

**Survival:** All applicable provisions of this Note (including without limitation this Section 15 and Sections 12, 14, 16 and 17) shall survive your sale or transfer of the Loan, any bankruptcy or insolvency, any forbearance or modification granted pursuant to this Loan or any disbursements under the Loan, any change in my school enrollment status, and (except for payment-related provisions of this Note) my full payment of the Loan.

## 16. PRIVACY MATTERS

**Updating Financial Information:** I agree to provide to you updated financial information about me any time you reasonably request it.

**School:** To the extent permitted by applicable law, you may provide a copy of the Note, Application, or any other related document to, and may report my payment history and Loan account status to, the Servicer. I authorize the release of my student records by the school to you, including without limitation school records about my enrollment status and about any funds in a school's account. I hereby release all claims against the school, its parent companies, subsidiaries, employees, officers, shareholders and affiliates, pursuant to The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99) *et seq.* with respect to such release of my student records.

**Authorization for Receipt of and Reporting Credit Information:** I authorize you to investigate my creditworthiness and to receive credit information about me (and my spouse if I live in a community property state) from others, including other lenders, credit reporting agencies, and educational loan information clearinghouses. You may also furnish information about my Loan, including but not limited to, late payments, missed payments or other defaults on my account, to credit reporting agencies and other persons who may legally receive such information. A negative credit report reflected on my credit record may be submitted to a consumer reporting agency if I fail to fulfill the terms of my payment obligations under this Note. If I believe that you have furnished information to a consumer reporting agency that is inaccurate, I will notify you at the address specified below and identify the specific information that is inaccurate.

**ATTN: Firstmark Services Ste 201, 121 South 13th St, Lincoln, Nebraska, 68508**

This authorization extends to this Loan, any future loans that may be offered to me, any updates, renewals or extensions of this Loan that may be offered to me, any forbearance of this Loan or any future loans that may be offered to me, and any review or collection of this Loan or any future loans that may be offered to me.

**Communications Regarding Loan and Release of Loan Information:** To the extent permitted by applicable law, I authorize you and the Servicer to communicate with, and to release information pertinent to this Loan to, members of my immediate family, including my spouse, unless I submit written directions to you revoking such authorization. I further authorize Lender or any holder of any of my outstanding educational loans to release any information on any of my outstanding educational loans to any other lender or holder of any of my other educational loans.

**Inquiries to Learn Current Address and Telephone Number:** I authorize you and the Servicer to release information and make inquiries to the individuals listed as references on the Application for the purpose of learning my current address and telephone number.

**Social Security Number:** You may verify my Social Security number with the Social Security Administration (SSA). If the Social Security Number on my Loan records is incorrect, then I authorize the SSA to disclose my correct Social Security number to you.

**Sharing Information:** You may share information within your respective family of companies as well as with unaffiliated third parties external to your respective family of companies, as described in your respective Privacy Policy(ies), a copy of which will be provided to me. To the extent permitted by applicable law and after providing required notices, Lender or any holder of any of my outstanding educational loans may modify its or their respective Privacy Policy(ies).

## 17. ARBITRATION PROVISION: PLEASE READ CAREFULLY IMPORTANT –

I HAVE BEEN TOLD TO READ THIS ARBITRATION PROVISION CAREFULLY. IF I DO NOT OPT OUT IN ACCORDANCE WITH THE PARAGRAPH CAPTIONED “OPT-OUT PROCESS,” IT WILL BE PART OF MY NOTE AND WILL HAVE A SUBSTANTIAL IMPACT ON THE WAY YOU AND I RESOLVE ANY CLAIM WHICH YOU OR I HAVE AGAINST EACH OTHER NOW OR IN THE FUTURE. OTHER RIGHTS THAT YOU OR I WOULD HAVE IN COURT MAY NOT BE AVAILABLE IN ARBITRATION.

Except as expressly provided below, I agree that any claim, dispute or controversy (“Claim”) between me and the Lender arising out of or that is related to (a) this Note, or (b) any relationship resulting from this Note, or any activities in connection with the Loan evidenced by this Note (including, without limitation, the Application for the related Loan evidenced by this Note, the disclosures provided or required to

be provided in connection with the Loan, including, without limitation, any Disclosure Statement, or the underwriting, servicing or collection of the Loan), or (c) any insurance or other service related to this Note, or (d) any claim, no matter how described, pleaded or styled, relating, in any manner, to any act or omission regarding in any way the obligations of the parties to this Note shall be resolved pursuant to this Arbitration Provision. Notwithstanding the preceding sentence, the parties' agreement to arbitrate does not include Claims that may be brought in a small claims court or other similar court with limited jurisdictional amount and expedited procedure. For purposes of this section, I agree that "Lender" means the lender named above, its officers, directors and employees, and its affiliates, subsidiaries, and parent entities, and any officers, directors and employees of such entities, as well as any entity or individual who purchases my loan from the Lender and also any Servicer (including any Servicer's officers, directors and employees, and any affiliates, subsidiaries and parent entities of any Servicer, and any officers, directors and employees of such entities), its officers, directors and employees, and its affiliates, subsidiaries and parent entities, and any officers, directors and employees of such entities. In addition, this Arbitration Provision will also inure to the benefit of any third party named as a co-defendant with Lender in a Claim which is subject to this Arbitration Provision.

**Choice of Arbitration Provider and Arbitration Rules:** The arbitration shall be administered by the American Arbitration Association ("AAA") before a single arbitrator and under the AAA's Consumer Arbitration Rules in effect at the time the arbitration is brought. Information about the arbitration process can be obtained from the AAA at [www.adr.org](http://www.adr.org), or (800) 778-7879. In the event AAA refuses or is otherwise unable to administer any Claim related to my Note, I agree that another reputable arbitration service provider will administer the Claim.

THIS ARBITRATION PROVISION WILL APPLY TO MY NOTE, UNLESS: (A) I AM A COVERED BORROWER AS DEFINED BY THE MILITARY LENDING ACT, 10 U.S.C. § 987; OR (B) I AM AFFORDED STATUTORY PROTECTIONS THAT PROHIBIT SUBMISSION OF A DISPUTE TO ARBITRATION.

**Opt-Out Process:** If I do not want this Arbitration Provision to apply, I may reject it by mailing you a written opt-out notice which contains my name and address and a statement that I opt out of this Arbitration Provision.

**The opt-out notice should be sent to the following address:** ATTN: Arbitration Agreement Rejections, 1415 Ritner Highway, Carlisle, PA 17013. (I should retain a copy of my opt-out notice and evidence of mailing or delivery). An opt-out notice is only effective if it is signed by me and if you receive it within thirty (30) days after the date of the Final Disclosure Statement. I agree that indicating my desire to opt-out of this Arbitration Provision in any manner other than as provided above is insufficient notice. However, my decision to opt out of this Arbitration Provision will not have any other effect on this Note and will not affect any other arbitration provision between you and me, which will remain in full force and effect.

**Notice of Dispute:** A party who intends to seek arbitration must first send to the other, by certified mail, a written Notice of Dispute ("Notice"). The Notice to you should be sent to the following address: ATTN: Nelnet Servicing, LLC, d/b/a Firstmark Services (Nelnet) Ste 201, 121 South 13th St, Lincoln, Nebraska, 68508 ("Notice Address"). The Notice must (a) describe the specific nature and basis of the Claim; and (b) set forth the specific relief sought. If you and I do not reach an agreement to resolve the Claim within 30 days after the Notice is received, you or I may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by you or I shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you or I are entitled.

**Location of Arbitration:** All in-person hearings and conferences in the arbitration shall take place at a locale within the federal judicial district in which I reside, unless I and you agree otherwise.

**Choice of Law:** This Arbitration Provision is made pursuant to a transaction involving interstate commerce. The arbitrator shall apply federal law to the fullest extent possible, and the substantive and procedural provisions of the Federal Arbitration Act (9 U.S.C. §§1-16) (the "FAA"), and no state law governing arbitration shall govern this Arbitration Provision or any issues relating to the enforcement of the Arbitration Provision or the arbitrability of Claims between the parties.

**Costs, Fees and Expenses of Arbitration:** Each party shall bear the expense of its own counsel, experts, witnesses and preparation and presentation of proofs. All fees and expenses of the arbitrator and administrative fees and expenses of the arbitration shall be paid by the parties as provided by the Consumer Arbitration Rules of the AAA (even if another arbitration service provider administers the arbitration) governing the proceeding, or by agreement of the parties.

**Relief and Remedies:** The arbitrator shall have the authority to award monetary damages and may grant any non-monetary remedy or relief available by applicable law and rules of the arbitration service provider. The arbitrator will have no authority to award consequential damages, indirect damages, treble damages or punitive damages, or any monetary damages not measured by the prevailing party's economic damages, except as permitted by applicable law. The arbitrator will have no authority to award attorney's fees except as expressly provided by this Arbitration Provision, the Note, or authorized by law (such as where a party brings a claim under a statute that provides for attorney's fees to be awarded to the prevailing party) or by the rules of the arbitration service provider, in which case such attorney's fees and costs will be available to the prevailing party whether claimant or respondent. Upon the timely request of either party, the arbitrator shall write a brief explanation of the basis of his or her award. If the arbitrator determines that any claim or defense is frivolous or wrongfully intended to oppress the other party, the arbitrator may award sanctions in the form of fees and expenses reasonably incurred by the other party (including arbitration administration fees, arbitrator's fees, and attorney, expert and witness fees), to the extent such fees and expenses could be imposed under Rule 11 of the Federal Rules of Civil Procedure.

**Class and Consolidated Actions:** THERE SHALL BE NO RIGHT OR AUTHORITY FOR ANY CLAIMS WITHIN THE SCOPE OF THIS ARBITRATION PROVISION TO BE ARBITRATED OR LITIGATED ON A CLASS BASIS OR FOR THE CLAIMS OF MORE THAN ONE BORROWER AND/OR COSIGNER TO BE ARBITRATED OR LITIGATED JOINTLY OR CONSOLIDATED WITH ANY OTHER BORROWER'S AND/OR COSIGNER'S CLAIMS.

**Arbitrator's Award:** Any state or federal court with jurisdiction and venue may enter an order enforcing this Arbitration Provision, enter judgment upon the arbitrator's award and/or take any action authorized under the FAA. For any arbitration-related proceedings in which courts are authorized to take action under the FAA, each party expressly consents to the non-exclusive jurisdiction of any state court of general jurisdiction or any state court of equity that is reasonably convenient to me, provided that the parties to any such judicial proceedings shall have the right to initiate such proceeding in a federal court or remove the proceeding to a federal court, if authorized to do so under applicable federal law.

**Survival, Severability and Right to Waive:** If any part or parts of this Arbitration Provision are found to be invalid or unenforceable by a decision of a tribunal of competent jurisdiction, then such specific part or parts shall be of no force or effect and shall be severed, but the remainder of the Arbitration Provision shall continue in full force and effect. Any or all of the limitations set forth in this Arbitration Provision may be specifically waived by the party against whom the limitation is asserted. Such waiver shall not waive or affect any other portions of this Arbitration Provision. This Arbitration Provision shall survive my full payment of the Loan, your sale or transfer of the Loan, any bankruptcy or insolvency, any forbearance or modification granted pursuant to this Loan or any disbursements under the Loan, and any change in my school enrollment status.

**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 I send must include my name, address, telephone number and loan or account number. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. I may only submit a Claim Notice on my 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.

**I HAVE READ THIS ARBITRATION PROVISION CAREFULLY AND UNDERSTAND THAT IT LIMITS OR WAIVES CERTAIN RIGHTS, INCLUDING THE RIGHT TO MAINTAIN A COURT ACTION (OTHER THAN IN SMALL CLAIMS OR SIMILAR COURT, AS SET FORTH IN THIS ARBITRATION PROVISION, OR IN AN ACTION TO ENFORCE THE ARBITRATOR'S AWARD), THE RIGHT TO A JURY TRIAL, THE RIGHT TO PARTICIPATE IN ANY FORM OF CLASS OR CONSOLIDATED CLAIM, AND THE RIGHT TO ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED IN THE APPLICABLE ARBITRATION RULES. OTHER RIGHTS THAT LENDER WOULD HAVE IN COURT ALSO MAY NOT BE AVAILABLE IN ARBITRATION.**

**I CERTIFY THAT NO EMPLOYEE OR REPRESENTATIVE OF THE LENDER HAS STATED OR IMPLIED ANYTHING CONTRARY TO WHAT IS WRITTEN IN THIS ARBITRATION PROVISION.**

## **18. COSIGNER**

By signing this Note as Cosigner, I acknowledge that, except after you have released me from my obligations under this Note, including after the death of the Student if required by law, (a) you may proceed directly against me without first proceeding against the Student Borrower, and (b) I am fully responsible for paying all amounts due under this Note, in full, even if the Student Borrower is released from liability on this Note for any reason.

I further understand that I may be eligible for release from liability of this note if properly requested provided the account is in current standing after 24 months of consecutive and on-time payments (except for states that require borrowers to have made 12 months of consecutive and on-time payments) and the remaining borrower meets the Lender's then required credit underwriting criteria.

## **19. STATE AND LOCAL TAXES AND FEES (if applicable):**

I understand that I am responsible for payment of any and all taxes and/or fees imposed by any state or local government authority arising as a result of the indebtedness evidenced by this note.

## **20. FEDERAL LAW NOTICES**

I understand that the following notice is only applicable to loans issued to finance educational expenses at for-profit educational institutions or institutions otherwise subject to the FTC Holder Rule under 16 C.F.R. Section 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.**

## 21. STATE-SPECIFIC DISCLOSURES:

I understand that the following notices are required by or necessary under state law and that these notices may not describe all of the rights that I have under state and federal law. Unless otherwise indicated, each notice applies to borrowers and cosigners who live in the indicated state on the date that they signed the application and to borrowers and cosigners who are residents of the state.

(For purposes of the following notices, unless the context specifically requires otherwise, the word “you” means the Student.)

**ALABAMA RESIDENTS:** CAUTION – IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

**CALIFORNIA and UTAH RESIDENTS:** As required by California and Utah law, you are hereby notified that 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 your credit obligations.

**FLORIDA RESIDENTS ONLY:** Florida documentary stamp tax required by law in the amount of \$.35 per \$100 has been paid or will be paid directly to the Department of Revenue. Certificate of Registration No. 74-8013178058-6, 158012442387-9, 26-8014936671-7, 20-8012981201-4, 39-8012442384-0, 62-8012442382-2, 39-8012442385-7, 63-8012442388-3, 58-8014937197-6, 58-8012442390-8, 16-8014936716-8, 39-8013431264-0, 23-8014941336-4, 238014941335-7, 16-8014936718-2, 23-8014936878-5.

**IOWA RESIDENTS ONLY:** If you are an Iowa resident and your amount financed is \$25,000 or less, this is a consumer credit transaction. **IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.**

**IOWA, KANSAS and NEBRASKA RESIDENTS:** NOTICE TO CONSUMER 1. DO NOT SIGN THIS CREDIT AGREEMENT BEFORE YOU READ IT. 2. YOU ARE ENTITLED TO A COPY OF THIS CREDIT AGREEMENT. 3. YOU MAY PREPAY THE UNPAID BALANCE AT ANY TIME WITHOUT PENALTY AND MAY BE ENTITLED TO RECEIVE A REFUND OF UNEARNED CHARGES IN ACCORDANCE WITH LAW.

**MARYLAND RESIDENTS ONLY:** Lender and I have agreed that this Note is governed by federal law and the laws of Wisconsin without regard to conflict of laws rules; if any court should nevertheless determine that this Credit Note is subject to Maryland laws concerning credit, then only to the extent that Maryland law applies, Lender elects to make this Loan pursuant to Subtitle 10, Credit Grantor Closed End Credit Provisions, of Title 12 of the Commercial Law Article of the Annotated Code of Maryland only to the extent that such provisions are not inconsistent with Lender’s authority under federal law (12 U.S.C. §85) and related regulations and interpretations, which authority Lender expressly reserves.

**MASSACHUSETTS RESIDENTS ONLY:** Massachusetts law prohibits discrimination based upon marital status or sexual orientation.

**MICHIGAN RESIDENTS ONLY:** The “Promise to Pay” section above applies to me only to the extent not in conflict with the following language which is incorporated into that section by reference: I understand and agree that I will not be required to pay compound interest in any form, and therefore, my unpaid principal balance will include only the Principal Amount and not any accrued interest added thereto; for avoidance of doubt, I understand and agree that if this sentence is applicable to my Loan, I will be required to pay any and all accrued interest, but will not be required to pay any additional compounding interest on previously accrued interest.

**MISSOURI RESIDENTS ONLY: ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FORBEAR FROM ENFORCING REPAYMENT OF DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT ME (BORROWER OR COSIGNER) AND YOU (THE LENDER) 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.**

**MONTANA RESIDENTS ONLY:** Lender and I have agreed that this Note is governed by federal law and the laws of Wisconsin unless they conflict with the laws or rules of Montana; if there is a conflict this Note is subject to Montana laws concerning credit, then only to the extent that Montana law applies, Lender and I agree and elect that this Loan is made under and governed by the laws in the State of Montana.

**NEBRASKA RESIDENTS:** A credit agreement must be in writing to be enforceable under Nebraska law. To protect you (Borrower(s)) and us (Lender) from any misunderstandings or disappointments, any contract, promise, undertaking, or offer to forbear repayment of money or to make any other financial accommodation in connection with this loan of money or grant or extension of credit, or any amendment of, cancellation of, waiver of, or substitution for any or all of the terms or provisions of any instrument or document executed in connection

with this loan of money or grant or extension of credit, or any amendment of, cancellation of, waiver of, or substitution for any or all of the terms or provisions of any instrument or document executed in connection with this loan of money or grant or extension of credit, must be in writing to be effective.

**NEVADA RESIDENTS ONLY:** This is a loan for study.

**NEW HAMPSHIRE RESIDENTS:** If we refer this Note to an attorney for collection, you agree to pay our reasonable attorneys' fees. However, if you prevail in a) any action, suit, or proceeding we bring, or b) an action brought by you in connection with this Note, or if you successfully assert a partial defense or setoff, recoupment, or counterclaim to an action brought by us, the court may withhold from us the entire amount or such portion of the attorneys' fees as the court considers equitable.

**NEW JERSEY RESIDENTS ONLY:** The section headings of the 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 (i) by you which are or may be permitted by "applicable law" are permitted by New Jersey law, and (ii) that may or will be taken by you unless prohibited by "applicable law" are permitted by New Jersey law. Any waiver of a right established by the New Jersey Contacts law does not apply to this Note.

**NEW YORK, RHODE ISLAND and VERMONT RESIDENTS:** You understand and agree that Lender may obtain a consumer credit report in connection with this application for credit and any updates, renewals or extensions of any credit as a result of this application. If you ask, you will be informed whether or not such a report was obtained and, if so, the name and address of the agency that furnished the report. You also understand and agree that Lender may 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.

**NEW YORK RESIDENTS ONLY:** If any debt incurred on the account is ever in default, that fact may become a part of your credit record.

**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.

**OKLAHOMA RESIDENTS ONLY:** If you are in default and only if the total amount disbursed under this Note is greater than \$6,200 (or any higher dollar amount established by law for the payment of such fees), you agree to pay the Lender's attorney's fees and court costs up to 15% of the unpaid debt.

**TEXAS RESIDENTS ONLY:** Lender does not have to give you notice that Lender is demanding or intends to demand immediate payment of all that you owe.

**UTAH RESIDENTS ONLY:** This Note is the final expression of the agreement between me and you and it may not be contradicted by evidence of an alleged oral agreement. As required by Utah law, you are hereby notified that a negative consumer credit report reflecting on your credit record may be submitted to a consumer credit reporting agency if you fail to fulfill the terms of your credit obligations.

**VERMONT RESIDENTS ONLY:** For purposes of this notice, the word "you" means the Cosigner(s). **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.**

**WASHINGTON RESIDENTS ONLY:** The "Promise to Pay" section above applies to me only to the extent not in conflict with the following language which is incorporated into that section by reference: I understand and agree that I will not be required to pay compound interest in any form, and therefore, my unpaid principal balance will include only the Principal Amount and not any accrued interest added thereto; for avoidance of doubt, I understand and agree that if this sentence is applicable to my loan, I will be required to pay any and all accrued interest, but will not be required to pay any additional compounding interest on previously accrued interest.

**WEST VIRGINIA RESIDENTS ONLY:** Any provision in this Note authorizing the holder of this Note to collect attorneys' fees in the event of a default are void if the party being sued for collection is a resident of the State of West Virginia.

The "Promise to Pay" section above applies to me only to the extent not in conflict with the following language which is incorporated into that section by reference: I understand and agree that I will not be required to pay compound interest in any form, and therefore, my unpaid principal balance will include only the Principal Amount and not any accrued interest added thereto; for avoidance of doubt, I understand and agree that if this sentence is applicable to my loan, I will be required to pay any and all accrued interest, but will not be required to pay any additional compounding interest on previously accrued interest.

**WISCONSIN RESIDENTS ONLY:** If I am a married Wisconsin resident: (1) My signature confirms that this loan obligation is being incurred in the interest of my 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 your interest unless, prior to the time that the loan is approved, you are furnished with a copy of the marital property agreement, statement, or decree or have actual knowledge of the adverse provision. (3)

My spouse has actual knowledge that this credit is being extended to me 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 I receive with this Note.

**22. FEDERAL LAW NOTICES: IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:**

To help the government report the finding 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 me:** When I apply for a student loan, you will ask for my name, address, date of birth and other information that will allow you to identify me. You may also ask to see my driver's license or other identifying documents.

**REPORTING INFORMATION TO A CREDIT BUREAU:**

**NOTICE:** The Lender may report information about the account to credit bureaus. Late payments, missed payments, or other defaults on the account may be reflected in the borrower's credit report.

If **you** believe that any information about **your** loan that the Lender has furnished to a consumer reporting agency is inaccurate, or if you believe that you have been the victim of identity theft in connection with any other loan, write to us at the customer service address provided to you on your monthly statement, or notify us by calling or emailing through information provided on our website. . In the communication you must (i) provide your name and the loan or account 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, you must submit an identity theft affidavit or identity theft report.

**COMMUNICATIONS UNDER THE FEDERAL BANKRUPTCY CODE:** Any communication with you required or permitted under the Federal Bankruptcy Code must be in writing, must include your account number and must be sent to the customer service address provided to you on your monthly statement.

**NOTICE TO COSIGNER, if any: (In this Notice to Cosigner, "you" and "your" mean any Cosigner signing this Note.)**

You are being asked to guarantee this debt. Think carefully before you do. If the Borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility. You may have to pay up to the full amount of this debt if the Borrower does not pay. You may also have to pay late charges and/or collection costs (including attorney fees and court costs), which increases this amount.

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, garnishing your wages, etc. If this debt is ever in default, that fact may become part of your credit record. This notice is not the contract that makes you liable for the debt.

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**CAUTION: IT IS IMPORTANT THAT EACH BORROWER AND COSIGNER THOROUGHLY READS THIS NOTE BEFORE SIGNING BELOW.** This Note contains all of the terms and conditions that apply to the Loan. This Note completely replaces any earlier understandings or communications any Borrower or Cosigner may have had with Lender, the Eligible Institution, or any other party about the Loan.

By my signature, I acknowledge that I have read and understood the information contained in the Application and Note, including the terms on the preceding pages and agree to be bound by those terms, including, but not limited to, the Promise to Pay (Section 3) and the Arbitration Agreement (Section 17) of the Note. I certify that the information provided by me is true and accurate to the best of my knowledge and belief. The instructions to the Application are incorporated into and made a part hereof. By submitting my Application, I authorize the Lender to obtain credit or similar reports from one or more consumer credit reporting agencies in connection with my Application. I and each of us agree to the terms of this Note and acknowledge receiving a completed copy of this Note. Furthermore, I and each of us understand that consummation of this transaction does not occur upon the signing of this Note, but rather upon the disbursement of funds by the Lender as set forth in Section 3 above, meaning that my obligations under this Note only arise once such funds are disbursed. I and each of us, agree that any and all proceeds of this Loan will be used solely for educational purposes, specifically to refinance and/or consolidate existing loans that were incurred for qualified higher education expenses, as set forth in Section 5 above.

The originating Lender to which my Application is directed is the Bank of Lake Mills, in Lake Mills, Wisconsin. The Loan is not offered or made by the Eligible Institution listed in the Application. It is being offered and made by Bank of Lake Mills.

I authorize the Lender to consider my Application as an application for the lowest cost loan for which I am qualified under this program. This disclaimer may not be waived or modified by any employee or agent of Bank of Lake Mills, its affiliates or subsidiaries.

**NOTICE TO CONSUMER:** In the following Notice, the word "you" refers to the Borrower and Cosigner. **DO NOT SIGN THIS BEFORE YOU READ THE WRITING ON THE PRECEDING PAGES, EVEN IF OTHERWISE ADVISED. DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES. YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE UNDER THIS AGREEMENT WITHOUT PENALTY AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE IN ACCORDANCE WITH LAW.**



**I UNDERSTAND THAT THIS IS A LOAN THAT I MUST REPAY.**

BORROWER

Date (mm/dd/yyyy)

X

**ARIZONA RESIDENTS ONLY:** For purposes of this notice, the words “you” and “your” refer to the Cosigner: **Marital Community Property Joinder:** If you are a married Arizona resident your signature confirms that this loan obligation is being incurred in the interest of your marriage or family and that you will properly notify your spouse and join him or her to this loan obligation in accordance with Ariz. Rev. Stat. § 25-214 or other applicable law. You further affirm that no provision of any marital property agreement or court decree adversely affects your interest in this loan obligation

**VERMONT RESIDENTS ONLY:** For purposes of this notice, the word “you” means the Cosigner(s). **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.**

NOTICE TO COSIGNER, if any: (In this Notice to Cosigner, “you” and “your” mean any Cosigner signing this agreement.)

You are being asked to guarantee this debt. Think carefully before you do. If the Borrower doesn’t pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of this debt if the Borrower does not pay. You may also have to pay late charges, which increases the amount.

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, garnishing your wages, etc. If this debt is ever in default, that fact may become part of your credit record.

This notice is not the contract that makes you liable for the debt.

Prior to signing this Note below, I have read and understood all the provisions of this Note (including without limitation Sections 16 and 18 and the Notice to Cosigner). I agree to the terms of this Note and acknowledge receiving a completed copy of this Note.

COSIGNER SIGNATURE & DATE

Date (mm/dd/yyyy)

X

**CALIFORNIA, IOWA, NEW YORK, SOUTH CAROLINA, WEST VIRGINIA AND WISCONSIN RESIDENTS WITH A COSIGNER:** You must read and sign the cosigner notification page.

## Designation of Authorized Representative Form

Student Borrowers can designate an individual to have the legal authority to act on behalf of the student borrower with respect to this private education loan in the event of the death of the student borrower. This designation must include the borrower's and representative's handwritten signatures.

### **DESIGNATION OF AUTHORIZED REPRESENTATIVE BY STUDENT BORROWER**

I, \_\_\_\_\_, request the following person:

Print Name of Student Borrower

\_\_\_\_\_ to be my authorized representative for

Print Name of Authorized Representative

Application identification number \_\_\_\_\_.

Application Identification Number

I understand that I, or the designated authorized representative, may terminate this designation in writing at any time by contacting the servicer of the loan at the address on any billing statement you may send to me.

\_\_\_\_\_  
Signature of Student Borrower

\_\_\_\_\_  
Date of Birth (For Identification Purposes)

\_\_\_\_\_  
Date

### **STATEMENT OF DESIGNATED REPRESENTATIVE**

I believe the above-named individual understands the nature and consequences of his/her acts and is able to exercise his/ her own will. I certify the above-named individual made the decision to designate me as his/her representative under no threat or duress of any kind.

I certify under penalty of perjury, the information I provide is correct and complete to the best of my knowledge.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date