

**Y-12 Federal Credit Union**

105 1ST AVE SW  
 ABERDEEN, SD 57401  
 (877) 490-6639

**Loan Interest Rate & Fees**

Your **starting interest rate** will be between

**7.11%** and **12.00%**

After the starting rate is set, your rate will then vary with the market.

**Your Starting Interest Rate (upon approval)**

The interest rate you pay will be determined after you apply. It will be based upon your credit history and other factors. If approved, we will notify you of the rate you qualify for within the stated range.

**Your Interest Rate during the life of the loan**

**Your interest rate is variable.** This means that your actual rate varies with the market and could be lower or higher than the rate on this form. The variable rate is based on the 90-day Average Secured Overnight Financing Rate (SOFR) (as published by the Federal Reserve Bank of New York). For more information on this rate, see the Reference Notes.

Although your rate will vary, **it will never exceed 12.00%** (the maximum allowable for this loan).

**Loan Fees**

**Late Charge:** None

**Returned Check Fee:** \$15.00

**Loan Cost Examples**

The total amount you will pay for this loan will vary depending upon when you start to repay it. These examples provide estimates based upon the two repayment options available while the student is in school.

| Repayment Option<br>(while the student is enrolled in school)   | Amount Provided<br>(amount provided directly to the school) | Interest Rate<br>(highest possible starting rate) | Loan Term<br>(how long you have to pay off the loan) | Total Paid over loan term<br>(includes associated fees) |
|---|---|---|--|---|
| <b>1. MAKE FULL PAYMENTS</b><br>Immediately pay both the full amount of principal and interest.<br>Loan Term: starting when your loan is first disbursed  | \$10,000.00   | 12.00%  | 60 months  | <b>\$13,346.77</b>                                      |
|   |   | 12.00%  | 120 months   | <b>\$17,216.61</b>                                      |
|   |   | 12.00%  | 180 months   | <b>\$21,602.04</b>                                      |
| <b>2. PAY ONLY THE INTEREST</b><br>Make interest payments but defer payments on the principal amount while the student is enrolled in school.<br>Loan Term: starting after the deferment period | \$10,000.00   | 12.00%  | 66 months  | <b>\$19,113.16</b>                                      |
|   |   | 12.00%  | 126 months   | <b>\$23,039.09</b>                                      |

**About this example**

The repayment example assumes the student remains in school for 4 years and have a 6-month grace period before beginning repayment. It is based on the **highest starting rate currently charged** and associated fees.

**Federal Loan Alternatives**

| Loan Program  | Current Interest Rates by Program Type |   |
|---|--|---|
| <b>STAFFORD</b><br>for Students                               | 5.50% fixed                            | Undergraduate subsidized & unsubsidized |
|   | 7.05% fixed                            | Graduate unsubsidized                   |
| <b>PLUS</b><br>for Parents and Graduate/Professional Students | 8.05% fixed                            | Federal Direct Loan                     |

**You may qualify for Federal education loans.**

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

[www.studentaid.gov](http://www.studentaid.gov)

**Next Steps**

**1. To Apply for this Loan, Complete the Application.**

If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law).

**REFERENCE NOTES**

**Variable Interest Rate**

This loan has a variable interest rate that is based on the 90-day Average Secured Overnight Financing Rate (SOFR) (as published by the Federal Reserve Bank of New York).

**Eligibility Criteria**

**Borrower**

In order to obtain this loan, you must become a member of Y-12 Federal Credit Union. Borrower must be age of majority in state of residence at the time you apply.

**Cosigners**

Cosigner must be age of majority in state of residence at the time you apply.

**Borrower Benefits**

Interest rate discount of 0.25% for borrowers who are enrolled in recurring ACH payments. This discount is only applied for payments received via the recurring ACH process.

**Bankruptcy Limitations**

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

**More information about loan eligibility and forbearance options is available in your application and Credit Agreement.**