

BORROWER:
Christopher Smith Jr.
1492 Columbus Way
Plymouth, MA 02360

CREDITOR:
First ABC Bank
12345 1st St
Anytown, CA 93120

Loan Rates & Estimated Total Costs

Total Loan Amount

\$10,600.00

The total amount you are borrowing.

Interest Rate

7.375%

Your current interest rate.

Finance Charge

\$18,541.24

The estimated dollar amount the credit will cost you.

Total of Payments

\$ 28,541.24

The estimated amount you will have paid when you have made all payments.

ITEMIZATION OF AMOUNT FINANCED

Amount paid to you	\$0.00
Amount paid to others on your Behalf:	+ \$10,000
• ABC State University	
Amount Financed (total amount provided)	= \$10,000
Initial finance charges (total)	+ \$600
• Origination Fee (\$300)	
• Loan Guarantee Fee (\$300)	
Total Loan Amount	= \$10,600

ABOUT YOUR INTEREST RATE

• **Your rate is variable.** This means that your actual rate varies with the market and could be lower or higher than the rate on this form. The variable rate is based upon the LIBOR Rate (as published in the *Wall Street Journal*). For more information on this rate, see reference notes.

• Although your rate will vary, it will never exceed 25% (the maximum allowable for this loan).

• Your **Annual Percentage Rate (APR)** is 8.23%. The APR is typically different than the Interest Rate since it considers fees and reflects the cost of your loan as a yearly rate. For more information about the APR, see reference notes.

FEES

• **Late Charge:** 5% of the amount of the past due payment, or \$25, whichever is greater.

• **Returned check charge:** up to \$25.

• **Fee when you begin repaying the loan:** 3.5% of loan balance.

Estimated Repayment Schedule & Terms

20 YEAR LOAN TERM	MONTHLY PAYMENTS	
	at 7.375% the current interest rate of your loan	at 25% the maximum interest rate possible for your loan
Sept. 1, 2009 - Oct. 31, 2013 deferment period	No payment required (\$3,799.67 in interest will accrue during this time)	No payment required (Interest will accrue during this time)
Nov. 1, 2013 - Sept. 30, 2033 239 monthly payments	\$118.93	\$645.41
Oct. 1, 2033 1 monthly payment	\$116.97	\$674.63

◀ The estimated Total of Payments at the Maximum Rate of Interest would be \$154,928.