



**DAKOTA EDUCATION ALTERNATIVE LOAN (DEAL) CONSOLIDATION  
BORROWER APPLICATION AND PROMISSORY NOTE**  
BANK OF NORTH DAKOTA  
STUDENT LOAN SERVICES  
SFN 58603 (06-2010)

PLEASE MAIL COMPLETED APPLICATION TO:

**Bank of North Dakota (BND) PO Box 5509, Bismarck, ND 58506-5509 1-800-472-2166 ext. 5763 1-800-643-3916 (TDD)**

## Dakota Education Alternative Loan (DEAL) Consolidation Borrower Application and Promissory Note

**WARNING:** Any person who knowingly makes a false statement or misrepresentation on this form is subject to criminal penalties.

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW LOAN ACCOUNT:** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens a loan account. What this means for you: Your name, address, date of birth, and other information collected on this form will be used to verify your identity. You may also be asked to provide your driver's license or other identifying documents.

**Before You Begin**

Read the Instructions for completing the DEAL Consolidation Borrower Application and Promissory Note. Print using a dark ink ballpoint pen or type. This form must be signed and dated by the applicant. **\*\*PAGES 1, 2, AND 3 OF THIS FORM MUST BE SUBMITTED FOR YOUR APPLICATION TO BE PROCESSED.\*\***

**Section A. Borrower Information**

1. Last Name		First Name	Middle Initial	2. Social Security Number		3. Date of Birth (mm/dd/yyyy)		
4. Permanent Street Address (If PO Box, see instructions)				4a. City	4b. State	4c. Zip Code		
5. Home Telephone Number (     )		6. Cell Telephone Number (     )		7. Driver's License State and Number State:                   #:				
8. Former Name(s)				9. E-mail Address				
10. Employer Name								
11. Employer Street Address				11a. City	11b. State	11c. Zip Code		
12. Employer Telephone Number (     )				13. Position				
14. Consolidating Lender Name <b>Bank of North Dakota</b>				15. Lender Code <b>816386</b>				

**Section B. Reference Information**

16. References: You must provide three separate references that are friends or relatives with different addresses who have known you for at least three years. All requested information must be completed in full. Do not include individuals who live with you (e.g., your spouse) or who live outside the United States.

Reference Name			Reference Name			Reference Name		
Street Address			Street Address			Street Address		
City	State	Zip Code	City	State	Zip Code	City	State	Zip Code
E-mail Address			E-mail Address			E-mail Address		
Telephone Number (     )			Telephone Number (     )			Telephone Number (     )		
Relationship to Borrower			Relationship to Borrower			Relationship to Borrower		

**Borrower Name** \_\_\_\_\_ **Social Security Number** \_\_\_\_\_  
 (Please print.)

**Section C. Education Loan Indebtedness — Loans You Want to Consolidate**

**Read the instructions before completing this section.** List each alternative education loan you want to consolidate, including each DEAL loan currently held by Bank of North Dakota that will be consolidated. The loan holder/servicer is the entity to which you send your payments. Please print. **ONLY LIST LOANS IN THIS SECTION THAT YOU WANT TO CONSOLIDATE.**

17. Loan Holder/Servicer Name, Mailing Address, and Telephone Number (See Instructions)	18. Loan Account Number	19. Interest Rate	20. Estimated Payoff Amount
<p><b>DEAL Loans:</b></p> <p>Bank of North Dakota                      PO Box 5509                      Bismarck, ND 58506-5509                      1-800-472-2166 ext. 5763</p>			
<b>Non-DEAL Alternative Education Loans:</b>			
<p>Holder Name: _____</p> <p>Address: _____</p> <p>City: _____ State: _____</p> <p>Zip Code: _____</p> <p>Telephone Number: _____</p>			
<p>Holder Name: _____</p> <p>Address: _____</p> <p>City: _____ State: _____</p> <p>Zip Code: _____</p> <p>Telephone Number: _____</p>			
<p>Holder Name: _____</p> <p>Address: _____</p> <p>City: _____ State: _____</p> <p>Zip Code: _____</p> <p>Telephone Number: _____</p>			
<p>Holder Name: _____</p> <p>Address: _____</p> <p>City: _____ State: _____</p> <p>Zip Code: _____</p> <p>Telephone Number: _____</p>			
<p>Holder Name: _____</p> <p>Address: _____</p> <p>City: _____ State: _____</p> <p>Zip Code: _____</p> <p>Telephone Number: _____</p>			

**Borrower Name** \_\_\_\_\_ **Social Security Number** \_\_\_\_\_  
 (Please print.)

#### Section D. Cosigner Requirements

21. A DEAL Consolidation Cosigner Credit Application and Promissory Note must be completed if any of the DEAL loans listed in Section C currently have a cosigner. You can use the existing cosigner or provide a new creditworthy cosigner who is at least 18 years of age and a U.S. Citizen.

If you do not have a cosigner on any of the DEAL loans listed in Section C and you are increasing the amount of debt by including other non-DEAL alternative education loans, you must re-establish your creditworthiness. Your signature in Section F authorizes Bank of North Dakota to investigate your credit record if needed.

#### Section E. Borrower Certification and Authorizations

22. Under penalty of perjury, I certify that:

- A.** The information I have provided on this DEAL Consolidation Borrower Application and Promissory Note is true, complete and correct to the best of my knowledge and belief and is made in good faith.
- B.** All of the loans selected for consolidation were used only for educational purposes.
- C.** To the best of my knowledge, none of the loans selected for consolidation are in an in-school status.
- D.** If I have an outstanding DEAL Consolidation loan, I am eligible for another DEAL Consolidation loan because: (i) I have another eligible loan(s), or (ii) I am consolidating a DEAL Consolidation loan with at least one other eligible loan.
- E.** I am not in default on any loan that I am consolidating, or if I am in default, I have made satisfactory arrangements with the holder of the defaulted loan(s) to repay the amount owed.
- F.** I am not subject to a judgment secured through litigation or to an order for wage garnishment, except as I have disclosed.

- B.** I authorize Bank of North Dakota to contact the holders identified on my application to determine the eligibility and/or payoff amounts for the loans I have selected for consolidation. I further authorize those holders to release that information.
- C.** I authorize Bank of North Dakota to send the proceeds of my DEAL Consolidation loan to each holder of the loans I have identified to pay off the debts.
- D.** If the amounts Bank of North Dakota pays to my holders exceed the amounts needed to pay off the balances of the selected loans, I understand that the holders will refund the excess to Bank of North Dakota to be applied towards the outstanding balance of this loan. If the amounts Bank of North Dakota pays to my holders are less than the amounts needed to pay off the balances of the loans selected for consolidation, I will be responsible for the remaining balances to my holders.
- E.** I authorize Bank of North Dakota, Student Loans of North Dakota (hereinafter "the guarantor") or their agents to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information.
- F.** I authorize the release of information pertinent to this loan by and amongst my schools, Bank of North Dakota, the guarantor, subsequent holders and their agents, and members of my immediate family unless I submit written directions otherwise.
- G.** I understand loans in an in-school status are not eligible for consolidation.
- H.** I understand after my DEAL Consolidation loan is completed I will enter repayment.

23. I make the following authorizations and statements of understanding:

- A.** I understand that the amount of my DEAL Consolidation loan will be based on the payoff amounts of my outstanding eligible loans that I selected for consolidation, as provided by the holders of those loans, and may exceed my estimate of such payoff amounts because the holders will include unpaid principal, unpaid accrued interest, and other costs permitted by law in the payoffs reported to Bank of North Dakota. I understand that if any collection costs are owed on the loans selected for consolidation, these costs may be added to the principal balance of the DEAL Consolidation loan.

**Review your DEAL Consolidation Borrower Application and Promissory Note to ensure you have completed all sections.**

#### Section F. Promissory Note (To be completed and signed by the borrower.)

(In this Promissory Note, "lender" refers to, and this Promissory Note benefits, Bank of North Dakota and its successors and assigns, including any subsequent holder of this Promissory Note.)

##### 24. Promise to Pay:

I promise to pay to the order of the lender all sums disbursed (hereinafter "loan") under the terms of this Promissory Note (hereinafter "Note") to pay off my prior loan obligations, plus interest and other charges and fees that may become due as provided in this Note. Unless I make interest payments, interest that accrues on my loan during forbearance and deferment periods may be added to the principal balance of my loan. If I do not make any payment on this Note when it is due, I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs, and other fees. I certify that the proceeds of this loan were used only for educational purposes.

I will not sign this Note before reading the entire Note, even if I am told not to read it, or told that I am not required to read it. I am entitled to an exact copy of this Note and the Borrower's Rights and Responsibilities Statement. My signature certifies I have read, understand and agree to the terms and conditions of this Note, including the Borrower Certification and Authorizations and the Borrower's Rights and Responsibilities Statement. Under penalty of perjury, I certify that the information contained on this DEAL Consolidation Borrower Application and Promissory Note is true and accurate. I authorize the lender, or its agent, to investigate my credit record and report information concerning my credit to the proper persons and organizations. I understand that this debt will become part of my credit record.

→ Please review the fixed and variable DEAL Consolidation Loan Application Disclosures on the following pages before selecting the interest rate type for your DEAL Consolidation loan.

25. I have reviewed the fixed and variable DEAL Consolidation Loan Application Disclosures and choose:

\_\_\_\_\_ **Fixed Interest Rate** (rate remains the same for the life of the loan)

\_\_\_\_\_ **Variable Interest Rate** (rate will change throughout the life of the loan)

A DEAL Consolidation Loan Approval Disclosure will be provided to you by Bank of North Dakota after the application process is completed and the loan has been approved. The DEAL Consolidation Loan Approval Disclosure will identify the loan terms in effect at the time and will be available for 45 days (terms will not change during this period, except as permitted by law). **For variable interest rate, terms will not change during this period except as permitted by law and the variable interest rate may change based on the market.**

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

26. **Borrower's Signature** \_\_\_\_\_ **Today's Date** (mm/dd/yyyy) \_\_\_\_\_

**Bank of North Dakota**  
PO Box 5509  
Bismarck, ND 58506-5509  
1-800-472-2166 ext. 5763

## Loan Interest Rate (Fixed) & Fees

Your **starting interest rate** will be between

**6.00%**

and

**8.375%**

### Your Starting Interest Rate (upon approval)

The starting interest rate you pay will be determined when your loan is approved. It will be based upon your state of legal residence and/or the weighted average interest rate on all DEAL loans. If approved, we will notify you of your starting rate. For more information, see Reference Notes.

### Your Interest Rate During the Life of the Loan

**Your rate is fixed.** This means that your rate will be set on the day the loan is approved and remains the same until the loan is paid in full. The fixed rate is based upon the Federal Home Loan Bank (FHLB) 10 Year Advanced Rate. For more information on this rate, see Reference Notes.

### Loan Fees

**Administrative Fee:** 2% of the total non-DEAL alternative education loan amount(s) that is included in the DEAL Consolidation loan. **Late Charge:** 6% of each late payment not to exceed \$15.00. **Non-Sufficient Funds (NSF):** \$25.00.

## Loan Cost Examples

Repayment Option	Amount Financed	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid Over Life of the Loan (includes associated fees)
<b>MAKE FULL PAYMENTS</b> Principal and interest payments.	\$10,000	8.375%	10 years	<b>\$14,797.20</b>

### About this example

The repayment example is based on the **highest starting rate currently charged**. If you add non-DEAL alternative education loans from other lenders, the fee will be added to your amount financed.

## Next Step

### To Apply for this Loan, Complete the Application

An Approval Disclosure will be provided to you by BND after you have completed the application process and your loan has been approved. The Approval Disclosure will identify the loan terms in effect at the time and will be available for 45 days (terms will not change during this period, except as permitted by law).

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## REFERENCE NOTES

### Fixed Interest Rate

- The interest rate for a fixed interest rate loan will be set on the day the loan is approved and remains the same until the loan is paid in full. The current interest rates are calculated using the Federal Home Loan Bank (FHLB) 10 Year Advanced Rate by adding a margin of 2% or 3% dependent upon your state of legal residence and/or the weighted average of your existing loans included in the Consolidation Loan rounded up to the nearest 1/8 of one percent, unless the rate is already a multiple of 1/8 of one percent.

### Eligibility Criteria

#### Borrower

- You must have an existing DEAL loan in order to consolidate DEAL and non-DEAL alternative education loans.
- Loans must be in a status of grace or repayment (repayment includes loans in deferment and forbearance).

#### Cosigners

- A cosigner is required if you currently have a cosigner or cosigners on any DEAL loans included in the consolidation.
- If you do not have a cosigner and are including other non-DEAL alternative education loans, you must re-establish your creditworthiness.

### Bankruptcy Limitations

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

**More information about loan eligibility, repayment, deferment and forbearance options is available in your loan application and promissory note or on our Web site at: [mystudentloanonline.nd.gov](http://mystudentloanonline.nd.gov).**

**Bank of North Dakota**  
PO Box 5509  
Bismarck, ND 58506-5509  
1-800-472-2166 ext. 5763

## Loan Interest Rate (Variable) & Fees

Your **starting interest rate** will be between

**2.04%**

and

**3.04%**

### Your Starting Interest Rate (upon approval)

The starting interest rate you pay will be determined when your loan is approved. It will be based upon your state of legal residence. If approved, we will notify you of your starting rate. For more information, see Reference notes.

### Your Interest Rate During the Life of the Loan

**Your rate is variable.** This means that your rate could move lower or higher than the rates on this form. The variable rate is based upon the 3-month London Interbank Offered Rate (LIBOR) as posted by Bloomberg. For more information on this rate, see Reference Notes.

Although the rate will vary after you are approved, it will **never exceed 10%** (the maximum allowable for this loan).

### Loan Fees

**Administrative Fee:** 2% of the total non-DEAL alternative education loan amount(s) that is included in the DEAL Consolidation loan. **Late Charge:** 6% of each late payment not to exceed \$15.00. **Non-Sufficient Funds (NSF):** \$25.00.

## Loan Cost Examples

Repayment Option	Amount Financed	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid Over Life of the Loan (includes associated fees)
<b>MAKE FULL PAYMENTS</b> Principal and interest payments.	\$10,000	3.04%	10 years	<b>\$11,608.80</b>

### About this example

The repayment example is based on the **highest starting rate currently charged**. If you add non-DEAL alternative education loans from other lenders, the fee will be added to your amount financed.

## Next Step

### To Apply for this Loan, Complete the Application

An Approval Disclosure will be provided to you by BND after you have completed the application process and your loan has been approved. The Approval Disclosure will identify the loan terms in effect at the time and will be available for 45 days (terms will not change during this period, except as permitted by law).

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## REFERENCE NOTES

### Variable Interest Rate

- Your rate is variable. This means that your rate could be lower or higher than the rates on this form. The variable rates are based upon the 3-month London Interbank Offered Rate (LIBOR) by adding a margin of 1.5% or 2.5% dependent upon your state of legal residence.

### Eligibility Criteria

#### Borrower

- You must have an existing DEAL loan in order to consolidate DEAL and non-DEAL alternative education loans.
- Loans must be in a status of grace or repayment (repayment includes loans in deferment and forbearance).

#### Cosigners

- A cosigner is required if you currently have a cosigner or cosigners on any DEAL loans included in the consolidation.
- If you do not have a cosigner and are including other non-DEAL alternative education loans, you must re-establish your creditworthiness.

### Bankruptcy Limitations

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

**More information about loan eligibility, repayment, deferment and forbearance options is available in your loan application and promissory note or on our Web site at: [mystudentloanonline.nd.gov](http://mystudentloanonline.nd.gov).**

**PROMISSORY NOTE (continued)****Disclosure of Terms**

This Note applies to the Dakota Education Alternative Loan (DEAL) Consolidation loan. I agree that the lender or any subsequent holder may sell or transfer my loan. At the time my loan is approved, Bank of North Dakota will send me a DEAL Consolidation Loan Approval Disclosure identifying additional terms of the loan. Important additional information is also disclosed in the statement of Borrower's Rights and Responsibilities accompanying this Note.

Information concerning the amount, disbursement and repayment of my loan will be reported to one or more national consumer reporting agencies.

**Interest**

I must choose between a fixed or variable interest rate option.

**If I choose a fixed rate**, the interest rate will be set on the day Bank of North Dakota approves my loan and remains the same until my loan is paid in full.

If all underlying DEAL loans are at a fixed rate, the weighted average interest rate of all underlying loans is used to calculate the new fixed interest rate rounded up to the nearest 1/8 of one percent unless the rate is already a multiple of 1/8 of one percent.

If all underlying DEAL loans are at a variable rate, the fixed rate in effect on the date your Consolidation application is approved, is used to calculate the new fixed interest rate rounded up to the nearest 1/8 of one percent unless the rate is already a multiple of 1/8 of one percent.

If the rates of your DEAL loans being consolidated are fixed and variable, the interest rate is calculated by converting the variable loans to the fixed rate in effect on the date the Consolidation application is approved. The fixed rate DEAL loans will use the interest rate that was assigned to those loans. Finally, the weighted average interest rate is calculated using the recalculated rates above rounded up to the nearest 1/8 of one percent, unless the rate is already a multiple of 1/8 of one percent.

Non-DEAL alternative education loans will be assigned the fixed rate in effect on the date your Consolidation application is approved. This rate will be used along with the rate(s) of your DEAL loans as described above to calculate the weighted average interest rate rounded up to the nearest 1/8 of one percent unless the rate is already a multiple of 1/8 of one percent.

**If I choose a variable rate**, all of the loans being consolidated (fixed or variable) will use the variable rate that is in effect on the date the Consolidation application is approved. The interest rate will change as interest rates decrease or increase throughout the life of the loan. Current interest rates are listed at [mystudentloanonline.nd.gov](http://mystudentloanonline.nd.gov) or call 1-800-472-2166 ext. 5763.

Interest accrues on the unpaid principal balance of the loan from the date of disbursement until the entire principal balance is paid in full.

The interest rate will be identified on the DEAL Consolidation Loan Approval Disclosure.

**Administrative Fee**

If I am including a non-DEAL alternative education loan, I will pay an administrative fee in an amount identified in the DEAL Consolidation Loan Approval Disclosure. This fee will be added to the balance of my loan.

**Late Charges and Collection Costs**

If I fail to make any part of an installment payment within 15 days after it becomes due, the holder may collect from me a late charge not to exceed 6% of each late installment, or a maximum amount of \$15. There may be a charge on non-sufficient funds payments in an amount not to exceed the maximum allowed under the North Dakota Century Code.

If I default on this DEAL Consolidation loan, I shall pay collection fees and costs, plus court costs. At the time of default, these fees may be assessed up to the maximum amount allowed under the North Dakota Century Code.

**Repayment**

I am obligated to repay the full amount of the loan, accrued interest and fees, if applicable. The loan will enter repayment upon disbursement.

I will repay my loan in periodic installments during a repayment period that begins upon disbursement. The repayment term for each loan may be up to 25 years depending on my balance.

**Repayment Terms:**

<u>10 Years</u>	– up to \$10,000
<u>15 Years</u>	– \$10,001-\$20,000
<u>20 Years</u>	– \$20,001-\$30,000
<u>25 Years</u>	– \$30,001 and over

The repayment term does not include any periods of deferment or forbearance.

The holder of my loan will provide me with a repayment schedule that identifies my payment amounts and due dates.

I may prepay all or any part of the unpaid balance on my loan at any time without penalty.

**Acceleration and Default**

At the option of the lender, the entire unpaid balance will become due and payable when either of the following events occurs: (i) I make a false representation that results in my receiving a loan for which I am not eligible; or (ii) I default on the loan.

The following events shall constitute a default on a loan: (i) I fail to pay the entire unpaid balance after the holder has exercised its option under the preceding paragraph; or (ii) I fail to make installment payments when due and my failure persists for at least 270 days; or (iii) I fail to comply with other terms of the loan, and the guarantor reasonably concludes I no longer intend to honor my repayment obligation. If I default, the guarantor may purchase my loan and capitalize all outstanding interest into a new principal balance. The new principal balance and collection fees will become immediately due and payable.

If I default, this will be reported to national consumer reporting agencies and will significantly and adversely affect my credit history. I acknowledge that a default shall have additional adverse consequences to me as disclosed in the statement of Borrower's Rights and Responsibilities.

**Governing Law and Notices**

The terms of this Note will be interpreted in accordance with 15-62.1-02 of the North Dakota Century Code.

If I reside in North Dakota, the guarantor may sue to enforce this loan in any judicial district as allowed by law. Any notice required to be given to me will be effective if mailed by first class mail to the latest address I have provided to the holder of this Note, or if the holder reasonably determines that this address is no longer my address, to the latest address secured by the holder or other reliable source. Failure by the holder to enforce or insist on compliance with any term on this Note shall not be a waiver of any right of the holder. No provision of this Note may be modified or

waived except in writing. If any provision of this Note is determined to be unenforceable, the remaining provisions shall remain in force.

**BORROWER CERTIFICATION**

I declare under penalty of perjury under the laws of the United States of America that the following is true and correct:

- (1) I certify that the information contained in my application for the DEAL Consolidation loan is true, complete and correct to the best of my knowledge and belief and is made in good faith.
- (2) I certify that the underlying loans being consolidated were used only for educational purposes.
- (3) I authorize Bank of North Dakota, subsequent holders, their agents, collection agencies or educational institutions to: (i) make inquiries of my cosigner, prior or subsequent lenders or holders with respect to my loan application and related documents; (ii) release information and make inquiries to the persons I have listed on my loan application as references, for the purpose of learning my current address and telephone number; (iii) contact me at any telephone number or e-mail address (whether it is a land line or wireless service) that I have provided or the loan holder receives from any reliable source. I authorize the use of live or automated messages to any of these numbers or e-mail addresses. I understand that persons other than myself may access these messages or e-mails, which may include content concerning my indebtedness.
- (4) I also authorize Bank of North Dakota, subsequent holders or their agents to check my credit and employment history and to answer questions about their credit experience with me.
- (5) I authorize the release of information pertinent to this loan by and amongst my schools, Bank of North Dakota, the guarantor, subsequent holders and their agents, to the references listed on this application and members of my immediate family unless I submit written directions otherwise.
- (6) I will be responsible for paying the interest on my DEAL Consolidation loan, which begins to accrue upon my first disbursement. If I fail to make required interest payments while I am in deferment, Bank of North Dakota or subsequent holders may capitalize such interest upon entering into repayment status.

## Instructions for Completing the DEAL Consolidation Borrower Application and Promissory Note

Bank of North Dakota  
 PO Box 5509  
 Bismarck, ND 58506-5509  
 1-800-472-2166 ext. 5763 1-800-643-3916 (TDD)

### Before You Begin

Before beginning, gather all of your education loan records, account statements, and bills so that you have the information you need to complete the DEAL Consolidation Borrower Application and Promissory Note.

Print using a dark ink ballpoint pen or type. Enter dates as month/day/year (mm/dd/yyyy). Use only numbers. This form must be signed and dated by the applicant. **The DEAL Consolidation Borrower Application and Promissory Note is a legal document. Do not use whiteout and do not modify.** Incorrect or incomplete information may delay processing of your application.

If you have any questions about completing this application, contact the entity identified above.

### Section A. Borrower Information

**Item 1:** Enter your last name, first name and middle initial.

**Item 2:** Enter your Social Security Number.

**Item 3:** Enter the date of your birth. Be careful not to enter the current year.

**Item 4-4c:** Enter your permanent home street address, apartment number, city, state and zip code. If you use a Post Office Box, you must also list a street address (must be a valid U.S. address).

**Item 5:** Enter your home area code and telephone number. (Do not list your work telephone number here.) If you do not have a telephone, enter N/A.

**Item 6:** Enter your cell telephone number, including area code.

**Item 7:** Enter the two-letter abbreviation for the state that issued your driver's license followed by the driver's license number. If you do not have a valid driver's license, enter N/A.

**Item 8:** Enter any former names under which one or more of your loans may have been disbursed. If you do not have a former name, enter N/A.

**Item 9:** Enter your preferred e-mail address for receiving communications. You are not required to provide this information. If you do, Bank of North Dakota or the holder of your loan may use your e-mail address to communicate with you. If you do not have an e-mail address, or do not wish to provide it, enter N/A.

**Item 10-12:** *It is important that Bank of North Dakota is able to reach you during the process of making your loan and during repayment.* Enter your employer's name, address (including number, street, suite number, city, state and zip code) and your work telephone number (or the number of your work cellular telephone or other wireless device). If you are self-employed, enter the name, address, and telephone number of your business (or the number of your business cellular telephone or other wireless device). If you are not employed, enter N/A.

**Item 13:** List your position with your employer.

### Section B. Reference Information

**Items 16:** Enter the requested reference information for three adults that are friends or relatives with different United States addresses who have known you for at least three years. References with addresses outside the United States will not be accepted. Do not include individuals who live with you. References must include telephone numbers. If a reference does not have an e-mail address or does not wish to provide an e-mail address, enter N/A. If you provide an e-mail address for a reference, the lender or holder of your loan may use it to communicate with the reference. All requested items must be completed or processing of your application may be delayed.

### Section C. Education Loan Indebtedness

#### Education Loans

Alternative education loans that were used only for educational purposes are eligible for consolidation.

Information needed to answer items in this section is available in loan documents, such as:

- The last monthly billing statement you received,
- Your quarterly interest statement or annual statement,
- Your coupon book, or
- The Internet site of your loan holder or servicer.

If you are unsure of the correct information on your loans, contact the entity to which you send your payments or check the most recent correspondence from that entity.

**Step 1:** Begin by listing (according to the instructions that follow for Items 17-20) eligible loan(s) that you wish to consolidate, including any DEAL loan(s) currently held by Bank of North Dakota who will be consolidating your loan(s). You may consolidate a DEAL Consolidation loan only if you are combining that loan with at least one other eligible loan.

If you are in default on any loan that you wish to consolidate, you must have made satisfactory repayment arrangements with the holder to repay the loan before it is eligible for consolidation. Contact the holder of your defaulted loan for specific information.

**Item 17:** Enter the full name, mailing address and telephone number of the holder of each of your education loans or the holder's servicer. Do not use initials in place of full names.

**Item 18:** Enter the account number of each loan. This may be listed on your monthly billing statement or coupon or in other information your holder or holder's servicer provides.

**Item 19:** Enter the interest rate prior to any incentive reductions on each loan.

**Item 20:** Enter the estimated payoff amount, including any unpaid interest, late fees and collection costs.

### Section D. Cosigner Requirements

**Item 21:** If a cosigner is required, have them complete a Dakota Education Alternative Loan (DEAL) Consolidation Loan Cosigner Credit Application and Promissory Note.

### Section E. Borrower Certification and Authorizations

**Items 22 and 23:** Read these items carefully. The statements confirm the accuracy of information that you supply, authorize various parties to perform certain functions, and certify your understanding and acceptance of certain terms and conditions of the loan.

### Section F. Promissory Note

**This is a legally binding contract.**

**Item 24:** Carefully read the entire Promissory Note, Borrower Certification and Authorization, Borrower's Rights and Responsibilities Statement, and the other materials provided in connection with this loan.

**Item 25:** You must select a fixed interest rate or a variable interest rate. Important information you should consider prior to making this selection is located under the "Interest" sections of the Promissory Note and the Borrower's Rights and Responsibilities.

**Item 26:** Sign and date the Promissory Note.

**Note:** Signature is required. If you fail to sign the Promissory Note, your application may be delayed.

**Submitting Your Application and Promissory Note**

Review all information on your DEAL Consolidation Borrower Application and Promissory Note. Return pages 1 through 3 of your completed application and promissory note to Bank of North Dakota for processing. **Keep a copy for your records. Remember to continue making your regularly scheduled education loan payments until Bank of North Dakota notifies you that the consolidation is complete.** If you would like to temporarily postpone your payments while your DEAL Consolidation loan is being processed, contact your holder(s) regarding forbearance. When your loans are consolidated, you will receive a repayment schedule and disclosure statement for your DEAL Consolidation loan. It will provide information about your new loan and instructions on where to send your monthly payments.

**Mailing Instructions:** Mail the **original** DEAL Consolidation Borrower Application and Promissory Note to:

Bank of North Dakota  
Student Loan Services  
PO Box 5509  
Bismarck, ND 58506-5509

## DAKOTA EDUCATION ALTERNATIVE LOAN (DEAL) CONSOLIDATION Borrower's Rights and Responsibilities

**1. Eligibility.** A borrower is eligible for a DEAL Consolidation loan to consolidate their existing DEAL and non-DEAL alternative education loans. The DEAL and non-DEAL alternative education loans were received only after the borrower had considered all Federal Title IV aid that the institution's Financial Aid Office had determined that the borrower was eligible to receive. This pertains to all federal loan programs including the Stafford loans, (FFELP and Direct), the Perkins loan and all of the health professional loans and all federal grant and work-study programs.

**2. Change of Status.** I must notify Bank of North Dakota or any subsequent holder of my loan if any of the following events occur:

- I change my address, e-mail address or telephone number;
- I change my name (for example, maiden name to married name);
- I change employers or my employer's address changes; or
- I have any other change that would affect my loan status (for example, the loss of eligibility for an unemployment deferment by obtaining a job).

**3. Interest.** I understand that it is my responsibility to pay interest on the unpaid principal amount of the loan from the date of disbursement until the entire principal amount and accrued interest are paid in full. I am responsible for the payment of all interest that accrues on this loan.

**4. Deferring Interest Payments.** Under certain circumstances, for example during forbearance or deferment, I may not be required to make interest payments, but interest on my DEAL Consolidation loan will accrue. Although you are not required to pay the interest that accrues during these periods, it is to your advantage, and we encourage you to make payments during this time. By making payments, or by paying some of the interest, it will reduce the total amount you have to pay throughout the life of the loan. Interest not paid will be added to your principal balance through capitalization at the time your loan(s) enter repayment.

**5. Sale or Transfer.** I consent to the sale or transfer of my loan. Should ownership of a loan be transferred, I understand I will be notified of the name, address and telephone number of the new holder of my loan, if the address where I make my payments changes. Sale or transfer of my loan to subsequent holders does not affect my rights and responsibilities.

**6. Consequences of Default.** Default is defined in the Note. If I default, the entire unpaid balance and collection fees will become immediately due and payable. Failure to repay this DEAL Consolidation loan may result in any or all of the following: loss of state income tax refunds, loss of state lottery prizes, legal action, assessment of collection charges, loss of professional license, loss of eligibility for deferments and forbearances, and negative credit reports.

**7. Credit Bureau Notification.** Information concerning the amount, disbursement and repayment of my loan will be reported to one or more national consumer reporting agencies. I will be notified at least 30 days in advance that default information will be disclosed to a credit bureau unless I enter into repayment arrangements on the loan within 30 days of the date on the notice. I will be provided an opportunity to a review of the debt before it is reported to any credit bureau. My holder must provide a timely response to a request from any credit organization regarding objections I might raise with that organization about the accuracy and completeness of information.

**8. Repayment.** I am obligated to repay the full amount of the loan, accrued interest and fees, if applicable. The loan will enter repayment upon disbursement.

I will repay my loan in periodic installments during a repayment period that begins upon disbursement. The repayment term for each loan may be up to 25 years depending on my balance.

Repayment Terms:

10 Years – up to \$10,000

15 Years – \$10,001-\$20,000

20 Years – \$20,001-\$30,000

25 Years – \$30,001 and over

The repayment term does not include any periods of deferment or forbearance.

The holder of my loan will provide me with a repayment schedule that identifies my payment amounts and due dates.

I may prepay all or any part of the unpaid balance on my loan at any time without penalty.

**9. Loan Cancellation.** I understand that my loan debt may be cancelled if I die. A certified death certificate must be submitted as documentation to the holder of this Note. My loan debt may also be cancelled if I become permanently and totally disabled. However, the holder of my loan may not approve the request for cancellation based on permanent and total disability if the condition existed before I applied for this loan.

If the condition did exist, my doctor must certify that the condition substantially deteriorated after the loan was disbursed. An application for cancellation must be submitted to my holder, and documentation verifying the permanent and total disability must be certified by my doctor and accepted by the holder of this loan.

I understand my loan(s) will not automatically be discharged in bankruptcy.

**10. Deferments.** Under certain circumstances, I have a right to postpone repayment of the principal if I provide the holder of my loan(s), or its servicing agent, with a request for a deferment together with the evidence that verifies my eligibility. The types of deferments that may be available are:

- While I am enrolled at least half-time at an eligible institution;

- While I am pursuing a graduate fellowship program or rehabilitation-training program for individuals with disabilities, if the program has been approved by the Department of Education for the FFEL program;
- For up to three years, while I am conscientiously seeking but unable to find full time employment; or
- While I am experiencing an economic hardship as determined by federal law; or
- While serving on Active Duty during a war or other military operation.

You should contact Bank of North Dakota or the current holder of your loan for more details on your options.

**11. Forbearance.** If I am unable to make my scheduled payments, the lender or holder of my promissory note may allow me to reduce the amount of my payment or to temporarily stop making payments as long as I intend to repay my loan. This action is called forbearance. During a period of forbearance, interest charges continue to accrue.

My holder is not required to grant a forbearance and may require me to provide my reasons for the request and other information.

## PRIVACY ACT DISCLOSURE

### Our Privacy Commitment to You

We recognize, respect and protect the personal privacy rights of all our customers. Our customers entrust us with personal information and it is our responsibility to maintain that information in a confidential manner. We are committed to providing the highest level of security and privacy regarding collection and use of our customers' personal information including visits to our Web site.

### Information We Collect

Nonpublic personal information is information about you we collect when providing a financial product or service to you. Nonpublic personal information does not include information available from public sources such as phone directories. We continue to maintain the confidentiality of your information even if you discontinue your relationship with us.

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates or others; and
- Information we receive from a consumer reporting agency.

### Information We Share

Since we value our customer relationship, we will not disclose your nonpublic personal information to anyone except as permitted by law. In order to provide products and services you request, we may share information with certain contractors, agents and other necessary parties. However, those parties agree to keep your information confidential before we share that information.

### Protecting Your Information

We maintain physical, electronic and procedural safeguards that comply with Federal standards to guard your nonpublic personal information. Access to nonpublic personal information is restricted to employees, contractors and agents, who need to know information, in order to provide you with products and services.

### General Online Privacy

We hold your information provided online to the same privacy standards noted above. Visitors to our Web site remain anonymous. We do not require personal information to obtain access to our site. We only collect personal information of visitors on a voluntary basis for internal bank purposes.

### Cookies

This technology obtains information from online visitors allowing us to update and improve our site. We do not extract personal information in this process nor do we provide this information to third parties. We also do not contact you without your permission.

Cookies also may serve as an enhanced security measure to you the customer, where permitted.

### Links

Our Web site may contain links to other sites. We make every effort to only link to sites sharing our high standards of integrity.

### Questions Regarding Your Privacy

If you have questions about the privacy of your information, please contact us at 1-701-328-5600 or 1-800-472-2166.

### Important Information about Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account (checking, savings, certificates of deposit, loans, safekeeping services, trust services, etc.).

What this means for you:

- When you open an account, we will ask for your name, address, date of birth, identification number, and other information that will allow us to identify you.
- We may ask to see your driver's license or other identifying documents.

In all cases, protection of our customers' identity and confidentiality is the Bank's pledge to you.