



**DAKOTA EDUCATION ALTERNATIVE LOAN (DEAL) CONSOLIDATION
COSIGNER CREDIT APPLICATION AND PROMISSORY NOTE**
BANK OF NORTH DAKOTA
STUDENT LOAN SERVICES
SFN 58604 (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)
mystudentloanonline.nd.gov

LENDER USE ONLY	
Approved <input type="checkbox"/>	Date
Denied <input type="checkbox"/>	Initials

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

BORROWER INFORMATION (from DEAL Consolidation Borrower Application and Promissory Note)

1. Last Name	First Name	Middle Initial	2. Date of Birth (mm/dd/yyyy)
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COSIGNER INFORMATION (Please print neatly or type. Read the instructions carefully.)

3. Last Name	First Name	Middle Initial	4. Social Security Number	5. Date of Birth (mm/dd/yyyy)	
6. Permanent Street Address (if P.O. Box, see instructions)			6a. City	6b. State	6c. Zip Code
7. Home Telephone Number ()	8. Cell Telephone Number ()		9. Driver's License Number State: #:		
10. E-mail Address					

11. Are you a U.S. Citizen? Yes No (See instructions if you answered No.)

12. Estimated Consolidation loan amount (see instructions) \$	13. Relationship to Borrower
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14. Employer Name			
15. Employer Street Address	15a. City	15b. State	15c. Zip Code
16. Employer Telephone Number ()	17. Position		

18. REFERENCES REQUIRED - COSIGNER MUST LIST 3 REFERENCES WHO ARE FRIENDS OR RELATIVES NOT LIVING WITH YOU

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 Cosigner			Relationship to Cosigner			Relationship to Cosigner		

COSIGNER PROMISE TO PAY: Although I will not personally receive any loan proceeds, I promise to repay the full amount of this debt, including unpaid principal, accrued interest, late fees, and/or collection costs, if, upon demand by the lender/holder of the Promissory Note executed by the borrower, the borrower fails to repay the debt. I understand that the lender/holder can use the same collection methods against me that can be used against the borrower. I understand that this is a Promissory Note. I will not sign this DEAL Consolidation Cosigner Credit Application and Promissory Note before reading it, even if otherwise advised. I am entitled to an exact copy of this Promissory Note and the Borrower's Rights and Responsibilities. My signature certifies I have read, understand and agree to the terms and conditions of the DEAL Consolidation Cosigner Credit Application and Promissory Note, as applicable. Under penalty of perjury, I certify that the information contained on the DEAL Consolidation Cosigner Loan Credit 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.

A DEAL Consolidation Loan Approval Disclosure will be provided to you by Bank of North Dakota after the application process is completed by the borrower 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 IF THE BORROWER DOES NOT.

19. Cosigner Signature _____ Date (mm/dd/yyyy) _____

**INSTRUCTIONS FOR COMPLETING THE
DAKOTA EDUCATION ALTERNATIVE LOAN (DEAL) CONSOLIDATION
COSIGNER CREDIT APPLICATION AND PROMISSORY NOTE**

PROGRAM REQUIREMENTS

In order to approve the DEAL Consolidation loan, the borrower who currently has a cosigner on any of the DEAL loans listed on the DEAL Consolidation Borrower Application and Promissory Note must maintain a creditworthy cosigner. The borrower can request the existing cosigner or a new creditworthy cosigner who is at least 18 years of age and a U.S. citizen complete this application.

If the borrower is increasing the amount of debt by including other non-DEAL alternative education loans and they are unable to re-establish creditworthiness, a creditworthy cosigner who is at least 18 years of age and a U.S. citizen will be required.

Your signature in Item 19 authorizes Bank of North Dakota to investigate your credit record if needed.

BORROWER INFORMATION SECTION

Item 1: Enter the last name, then first name and middle initial of the borrower for whom the DEAL Consolidation loan is sought.

Item 2: Enter the borrower's date of birth (mm/dd/yyyy).

**COSIGNER INFORMATION SECTION
(This section is completed by the cosigner.)**

Item 3: Enter your last name, your first name and middle initial.

Item 4: Enter your Social Security Number. A cosigner's Social Security Number is required to process the loan application.

Item 5: Enter your date of birth (mm/dd/yyyy).

Item 6-6c: Enter your permanent street address, including apartment number, if applicable, and city, state and zip code. (If you have a Post Office Box and a street address, you must list both.)

Item 7: Enter your home area code and telephone number. If you have no telephone, enter N/A.

Item 8: Enter your cell telephone number, including area code. If you have no cell phone, enter N/A.

Item 9: Enter your current driver's license number, listing the state abbreviation that issued this license, followed by the number. If you do not have a valid driver's license, enter N/A.

Item 10: 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 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 11: You must be a U.S. citizen to cosign this loan.

Item 12: This is an estimated loan amount, as Bank of North Dakota will be verifying the loan payoffs with the lenders identified in this DEAL Consolidation loan request.

Item 13: List your relationship to the borrower.

Item 14-17: Enter your:

(14) place of employment

(15-15c) employer's address, city, state and zip code

(16) employer's telephone number

(17) your position with the employer

Item 18: 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.

Item 19: Sign your full name, including your first, middle initial and last name. Enter the date you are signing the Credit Application and Promissory Note. By signing, you acknowledge that you have read, understand and agree to the provisions in the Cosigner Promise to Pay, Borrower Certification and Authorization section, the Promissory Note, and the statement of Borrower's Rights and Responsibilities. Please keep a copy of the Credit Application for your records.

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 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:

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.

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 Student Loans of North Dakota (hereinafter "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.

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.