Creditor:
New Jersey Higher Education Student Assistance Authority ("HESAA")
NJCLASS Loan Program
PO Box 538
Trenton, NJ 08625-0538
800-792-8670 www.hesaa.org

Fixed Standard Loan Application and Solicitation Disclosure

Loan Interest Rate and Fees – NJCLASS Fixed Rate Program

5.95%	7.25%	8.65%
10 Year	15 Year	20 Year

All loan options are based on the availability of funds. Your interest rate will be fixed based on the available repayment option you select.

See **Loan Cost Examples** below.

Your Interest Rate (Upon Approval)
The Interest Rate you pay will be based on the repayment option you select. The interest rate is not based upon your personal credit worthiness, choice of school, or other individual factors. Upon approval, the interest rate you selected will appear on the Loan Offer Disclosure.

YOUR INTEREST RATE DURING THE LIFE OF THE LOAN
Your interest rate is FIXED. This means that your rate will not vary with the market.

Loan Fees

HESAA does not charge an Administrative Fee on this loan. Although HESAA does not currently charge fees for late and/or returned payments, HESAA reserves the right to charge a late fee of up to 6% of the payment amount and a handling charge for returned payments up to $25.00. Collection costs of up to 30% of the debt can also be added to the outstanding loan amount on defaulted NJCLASS Loans to cover debt collection, attorneys' fees, and court costs. A finance charge is any fee or charge representing the cost of credit, or the cost of borrowing. In this loan it includes only interest charged over the life of the loan.

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it and how long it takes to pay the loan in full. These examples provide estimates based upon the repayment options available to you at the time of application.

Repayment Option (while enrolled in school)	**Amount Provided** (amount disbursed directly to you or your school)	**Fixed Interest Rate**	**Loan Term** (how long you have to pay off the loan)	**Total Paid Over Loan Term** (includes loan fee)
Shorter loan term w/monthly principal and interest payments – Begin repayment within 60 days after the first disbursement.	**$10,000**	**5.95%**	**10 years** Starting at the date of 1st disbursement	$13,305.69
Monthly interest-only payments – Defer principal, and pay only the interest that accrues while in deferment.	**$10,000**	**7.25%**	**15 years** Starting at the date of 1st disbursement	$17,507.82
Defer all payments while in school – Accrued interest will be capitalized, if not paid, annually.	**$10,000**	**8.65%**	**20 years** Starting at the date of 1st disbursement	$25,868.42

About this Example: These repayment examples are for a $10,000.00 NJCLASS loan with a single $10,000 disbursement and assume that you remain in school for 4 years. This example also assumes payments are made on time. For the interest only example, the period of interest only payments is 47 months. For the defer all payments while in school example, the accrued interest has been capitalized annually for the 4 years of deferment.

Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type (for loans with a first disbursement date between July 1, 2026 and June 30, 2027)
FEDERAL DIRECT LOAN for Students	Undergraduate: 6.520% Fixed Undergraduate Subsidized and Unsubsidized Graduate: 8.070% Fixed Graduate Unsubsidized
PLUS for Parents and Graduate/Professional Students	9.070% Fixed

You may qualify for Federal education loans.
For additional information, **contact your school's financial aid office or the Department of Education at:** www.studentaid.gov

Next Steps

1. Find Out About Other Loan Options.

A student must file a FAFSA so that their eligibility for Federal loans or financial aid can be determined. Some schools have school – specific loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's Web site at www.studentaid.gov for more information about other loans.

2. To Apply for this Loan, Complete the Application and Self-Certification Form.

NJCLASS offers an online application process. Applying online is the most secure method and will provide an immediate credit decision. During the application process, we will provide you with the Federal Self-Certification Form. To complete this form, you will need the "Cost of Attendance" and your "Expected Financial Assistance" figures. This information can be obtained from the Financial Aid Office at the school for which you are borrowing. 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

Fixed Interest Rate

- The interest rate is fixed.
- Loans that originate under Full Deferment of all Payments carry a higher interest rate than the other repayment options. Funds available for this repayment option are limited and subject to availability.

Program Information

- All NJCLASS loans have a $50.00 minimum monthly payment and the loan term may be reduced due to the minimum payment requirement.
- The minimum monthly interest payment shall be the greater of the amount of interest accrued, or $10.00.
- Deferments and/or forbearances do not extend the term of the loan. Requesting and receiving a deferment or forbearance will shorten the amount of time available to repay the loan, resulting in higher monthly payments.
- The interest is not subsidized and will accrue daily on the unpaid principal balance during all periods of repayment, deferment, and forbearance, except for during approved periods of temporary total disability of the student borrower.
- There is no grace period for the fully deferred repayment option and the monthly interest repayment option. Monthly repayment of principal and interest begins immediately upon graduation, attendance of less than half-time, or withdrawal from school.
- There is no prepayment penalty.
- All parties to the loan have the right to cancel the loan within the 3-day right to rescind period as disclosed on the Pre-Disbursement Disclosure Statement.
- Funds are limited and all repayment options are subject to availability. Submitting an application does not guarantee funding.
- HESAA will contact the school to request their certification of the student's eligibility for the loan amount, based upon the student's academic progress, enrollment status, and financial aid awarded.
- A student must file a FAFSA to have their eligibility for federal student aid determined. The school must deduct the student's eligibility for all available aid including federal direct subsidized and unsubsidized loans from the total cost of attendance to calculate the NJCLASS loan amount.
- Once HESAA has received the school's certification, and the loan is approved, all parties will receive a Loan Offer Disclosure Statement providing information about the loan

Program Information (continued)

amount, and the interest rate. The borrower must accept the Loan Offer if the borrower wishes to continue with the loan. The borrower can accept the Loan Offer by logging onto NJCLASS.org.

- Pursuant to P.L.2017 c.198, student beneficiaries first applying for a NJCLASS loan on or after August 8, 2017 will be subject to a loan limit. This is an aggregate per student loan limit, which will be increased annually for each academic year over the prior year by the regression-based index value of the Higher Education Price Index. The loan limit does not apply to students who have previously received NJCLASS loans prior to August 8, 2017 or who applied for their current loans prior to August 8, 2017.

Source of Funds

- NJCLASS Loans are funded through the sale of tax-exempt bonds issued by the New Jersey Higher Education Student Assistance Authority (HESAA).

Eligibility Criteria

Student

- US citizen or eligible Non-Citizen
- NJ resident attending an eligible school worldwide
- Non-NJ resident attending an eligible school located in NJ
- Enroll at least half time in a degree or certificate granting program
- Maintain Satisfactory Academic Progress, as defined by your school
- File the FAFSA, and borrow all subsidized and unsubsidized Federal Direct Loans if eligible
- Has not reached the NJCLASS aggregate loan limit, if applicable

Borrowers

- US citizen or eligible Non-Citizen
- Meet credit and income requirements or a coborrower/cosigner will be required
- Not delinquent or in default on a Federal or State student loan

Co-Signers

- Must be at least 18 years old
- US Citizen or eligible Non-Citizen
- Meet credit and income requirements
- Not delinquent or in default on a Federal or State student loan

Bankruptcy limitations

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

Statement of the Military Annual Percentage Rate ("MAPR")

- Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account).

The full Terms and Conditions of this loan are available on our website, and on your Promissory Note, including information about loan repayment, deferment, or forbearances. We encourage you to read the Terms and Conditions carefully and to contact us if you have any questions.