
Private Education Loan Application and Solicitation Disclosure

Maine Medical Education Foundation

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Loan Interest Rate & Fees

Your **starting interest rate** will be

0 %

After the starting rate is set, your rate will be determined annually, based upon a tiered interest rate plan established by your lender.

Your Starting Interest Rate (upon approval)

All borrowers receive the same starting interest rate on this loan. The variable interest rate is based on your status in medical school and then the periods commencing after graduation from medical school.

Your Interest Rate during the life of the loan

Your rate is variable. This means that your rate will move higher than the rates on this form. The variable rate is determined annually based upon a tiered interest rate plan, as established by the Maine Medical Education Foundation. The rate is dependent on your status in medical school and then the periods commencing after graduation from medical school. For more information on this rate, see Reference Notes.

The interest rate is variable. **The maximum interest rate will never exceed 5%** (the maximum allowable for this loan).

Loan Fees

There are no fees to obtain this loan.

Returned Payment Charge: \$20.00

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon two (2) repayment options available to you.

| Repayment Option (while enrolled in school) | Amount Provided (amount provided directly to you or your school) | Interest Rate (highest possible starting rate) | Loan Term (how long you have to pay off the loan) | Total Paid over 10 Years |
|---|--|--|---|--|
| 1. DEFER PAYMENTS Make no payments while enrolled in school or during residency period. | \$10,000 | 0 % | 10 Years after residency period expires | \$15,072.00 |
| 2. INTEREST ONLY PAYMENTS Make no payments while enrolled in school. Make interest only payments during residency period. | \$10,000 | 0 % | 10 Years after residency period expires | \$14,669.77 |

About these examples

These examples assume that you remain enrolled in medical school for four years, followed by the completion of a five year residency program before beginning repayment. Interest begins to accrue after you graduate from medical school and does not assume any returned payment charges.

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Federal Loan Alternatives

| Loan program | Current Interest Rates by Program Type |
|---|---|
| Direct Unsubsidized* for Students | 5.28% fixed Graduate unsubsidized |
| Direct PLUS* for Parents and Graduate/Professional Students | 6.28% fixed |

You may qualify for Federal education loans.

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

www.studentaid.ed.gov

*Interest rates are subject to change each July 1, according to federal regulations.

Next Steps

1. Find Out About Other Loan Options.

Some schools have school-specific student loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the U. S. Department of Education's web site at: www.studentaid.ed.gov for more information about other loans.

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

You may get the certification form from your school's financial aid office. 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. The interest rate in effect is based on your status in medical school and then the periods commencing after graduation from medical school.

The interest on this loan will accrue using the following tiered interest rate structure:

- No interest shall accrue from the date of the Promissory Note until the July 1 of the calendar year in which you graduate from medical school.
- For the 12 month period commencing July 1 of the calendar year in which you graduate from medical school, the interest rate shall accrue at a rate of 1% per annum.
- For the 12 month period commencing July 1 following the period above, the interest rate shall accrue at a rate of 3% per annum.
- For the 12 month period (up to the 36-month if borrower is continuously enrolled in a residency program) commencing on July 1 of the period above, the interest rate shall accrue at a rate of 5% per annum.
- Thereafter, interest shall remain fixed at a rate of 5% per annum for the remaining ten-year repayment period.

Exception: Should the borrower terminate or interrupt their medical education prior to completion, the Note shall bear a fixed interest rate of 5% per annum, commencing on the July 1 of the calendar year in which such termination or interruption occurs.

Eligibility

- Must be a Maine resident accepted by or enrolled in an approved medical school
- Must be pursuing a degree of Doctor of Medicine (MD) or Doctor of Osteopathic Medicine (DO)

Bankruptcy Limitations

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

More information about loan eligibility, repayment deferral or forbearance options are available in your loan documents.