Private Education Loan Application and Solicitation Disclosure

Partnership Advance Education Loan
Fixed Rate Loan

Bank of Lake Mills
c/o Iowa Student Loan Liquidity Corporation
6775 Vista Drive
West Des Moines, IA 50266-9305
Phone: (800) 542-6005
Fax: (515) 471-3996

Loan Interest Rates & Fees

<table>
<thead>
<tr>
<th>The interest rate will be between:</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.600% and 7.220%</td>
</tr>
</tbody>
</table>

After the rate is set, your rate will be fixed.

Your Interest Rate (upon approval) The starting interest rate you pay will be determined after you apply. It will be based upon your or your cosigner's, if applicable, credit history, the repayment option you choose, and other factors. If approved, we will notify you of the rate you qualify for within the range.

Your Interest Rate during the life of the loan
Your rate is fixed. This means that your rate will not change over the life of your loan. For more information on this rate, see Reference Notes.

Loan Fees
Late Charges: No fees will be assessed for late payments.

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 on three repayment option(s) available to you while enrolled in school. Immediate payments of principal and interest are due following the disbursement of loan proceeds if you select to make full payments.

<table>
<thead>
<tr>
<th>Repayment Option (while enrolled in school)</th>
<th>Amount Provided (amount provided directly to the school)</th>
<th>Interest Rate (highest possible starting rate)</th>
<th>Loan Term (how long you have to pay off the loan)</th>
<th>Total Paid over the life of the loan (includes associated fees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEFER PAYMENTS</td>
<td>$10,000</td>
<td>7.220%</td>
<td>15 years starting after the deferment period</td>
<td>$21,425</td>
</tr>
<tr>
<td>Make no payments while enrolled in school.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest will be charged and added to your loan.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAY ONLY THE INTEREST</td>
<td>$10,000</td>
<td>6.420%</td>
<td>10 years starting after the deferment period</td>
<td>$16,305</td>
</tr>
<tr>
<td>Make interest only payments but defer payments on the principal amount while in school.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAKE FULL PAYMENTS</td>
<td>$10,000</td>
<td>6.300%</td>
<td>10 years starting immediately after full disbursement</td>
<td>$13,501</td>
</tr>
<tr>
<td>Pay both the principal and interest amounts while enrolled in school.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

About this example
All examples assume that the student is enrolled in school for 45 months and has either 0 or 6 months after graduation before beginning repayment depending on the repayment option selected. These examples are based on the highest starting interest rate for the repayment option selected for this loan and associated fees. This cost example also shows the total paid for all repayment options that are available. Principal and interest repayment terms vary from 10 to 15 years depending the repayment option you select. Your interest rate will depend on the repayment option you choose. All examples assume one disbursement of loan proceeds. For loan amounts of $1,000 or less, repayment will last 37 months, starting once the initial principal payment is made.
Federal Loan Alternatives

<table>
<thead>
<tr>
<th>Loan Program</th>
<th>Current Interest Rates By Program Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERKINS -- For Students</td>
<td>Program not available</td>
</tr>
<tr>
<td>Direct Subsidized -- For Undergraduate Students</td>
<td>2.750% fixed</td>
</tr>
<tr>
<td>Direct Unsubsidized -- For Undergraduate Students</td>
<td>2.750% fixed</td>
</tr>
<tr>
<td>Direct PLUS -- For Parents of Dependent Undergraduate Students and Graduate/Professional Students</td>
<td>5.300% fixed</td>
</tr>
<tr>
<td>Direct Unsubsidized -- For Graduate/Professional Students</td>
<td>4.300% fixed</td>
</tr>
</tbody>
</table>

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 the school’s financial aid office or visit the Department of Education’s web site at: https://studentaid.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 the 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

Eligibility Criteria

- **Borrower**
  - Must be the age of majority in your state of residence.
  - Must be a citizen or permanent resident of the United States.
  - Must be enrolled at an eligible school at least half-time.

- **Cosigners**
  - Must be the age of majority in your state of residence.
  - Must be a citizen or permanent resident of the United States.
  - Applying with a cosigner typically results in a lower rate.

Fixed Interest Rate

- Your loan has a fixed interest rate.
- The Interest Rate may be higher or lower than your Annual Percentage Rate (APR) because the APR considers certain fees you pay to obtain the loan, the interest rate, and whether you defer (postpone) payments while in school.

Bankruptcy Limitations

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

Cosigner Requirement

- A cosigner is required for this student loan if you are not able to meet our underwriting criteria on your own. If you meet our underwriting criteria, you will not need to have a cosigner for your loan. If you apply with a cosigner your loan may be less expensive.

More information about loan eligibility and repayment deferral or forbearance options is available in your loan application and credit agreement.
A. Cosigner Requirements
A cosigner is required for this student loan if you are not able to meet our underwriting criteria on your own. If you meet our underwriting criteria, you will not need to have a cosigner for your loan. If you apply with a cosigner, or meet our underwriting criteria on your own, your loan may be less expensive.

B. Repayment of Loan Information
Repayment of your loan depends on the repayment option selected. For deferred or interest only repayment options, principal and interest payments begin after the Interim Period. "Interim Period" means the period beginning on the date when we first disburse the loan proceeds to you and ending on the date that is 6 months after graduation or cessation of enrollment on at least a half-time basis at an eligible school. You can prepay the loan in whole or part at any time without penalty.

C. Additional Terms and Conditions
Your loan is subject to all of the terms and conditions of your credit agreement. Please read your credit agreement carefully, it may include terms under which the interest rate on the loan may change. To obtain a copy of your credit agreement, please continue with this application or contact Iowa Student Loan Liquidity Corporation at (800) 542-6005.

D. Consequences of Loan Default
There are serious consequences if you default on this loan. For example, under normal circumstances, student loans are not dischargeable in bankruptcy. In order to discharge a loan in bankruptcy, the borrower must prove undue hardship in an adversary proceeding before the bankruptcy court. Additional consequences of default on this loan include:
- Lender may report the late payment history to credit reporting agencies, which will adversely affect your credit rating and ability to get more credit
- Interest will continue to accrue on the outstanding principal balance
- Lender may take legal action
- Borrower may become ineligible for further loans from the lender
Private Education Loan Application and Solicitation Disclosure

Partnership Advance Education Loan
Variable Rate Loan

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Loan Interest Rates & Fees

The starting interest rate you pay will be determined after you apply. It will be based upon your or your cosigner’s, if applicable, credit history, the repayment option you choose, and other factors. If approved, we will notify you of the rate you qualify for within the range.

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 on the LIBOR (as published in the Wall Street Journal). For more information on this rate, see the Reference Notes.

Although the rate will vary after you are approved, it will never exceed 18.000% (the maximum allowable for this loan).

Loan Fees
Late Charges: No fees will be assessed for late payments.

Loan Cost Examples

The total amount you will pay for this loan will depend upon when you start to repay it. This example provides estimates based on three repayment option(s) available to you while enrolled in school. Immediate payments of principal and interest are due following the disbursement of loan proceeds if you select to make full payments.

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<tr>
<td>DEFER PAYMENTS</td>
<td>$10,000</td>
<td>6.320%</td>
<td>15 years starting after the deferment period</td>
<td>$19,659</td>
</tr>
<tr>
<td>PAY ONLY THE INTEREST</td>
<td>$10,000</td>
<td>6.000%</td>
<td>10 years starting after the deferment period</td>
<td>$15,872</td>
</tr>
<tr>
<td>MAKE FULL PAYMENTS</td>
<td>$10,000</td>
<td>5.900%</td>
<td>10 years starting immediately after full disbursement</td>
<td>$13,260</td>
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About this example
All examples assume that the student is enrolled in school for 45 months and has either 0 or 6 months after graduation before beginning repayment depending on the repayment option selected. These examples are based on the highest starting interest rate for the repayment option selected for this loan and associated fees. This cost example also shows the total paid for all repayment options that are available. Principal and interest repayment terms vary from 10 to 15 years depending the repayment option you select. Your interest rate will depend on the repayment option you choose. All examples assume one disbursement of loan proceeds. For loan amounts of $1,000 or less, repayment will last 37 months, starting once the initial principal payment is made.
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REFERENCE NOTES

Eligibility Criteria

Borrower
- Must be the age of majority in your state of residence.
- Must be a citizen or permanent resident of the United States.
- Must be enrolled at an eligible school at least half-time.

Cosigners
- Must be the age of majority in your state of residence.
- Must be a citizen or permanent resident of the United States.
- Applying with a cosigner typically results in a lower rate.

Variable Interest Rate
- This loan has a variable interest rate that is based on a publicly available index, the London Interbank Offered Rate (LIBOR) as published in The Wall Street Journal, which is currently 0.800%. Your rate will be calculated each quarter by adding a margin of 3.300% to 5.520% to the LIBOR.
- The interest rate may be higher or lower than your Annual Percentage Rate (APR) because the APR considers certain fees you pay to obtain the loan, the interest rate, and whether you defer (postpone) payments while in school.
- The rate will not increase more than once a quarter, but there is no limit on the amount that the rate could increase at one time. Your rate will never exceed 18.000%.
- If the Interest Rate increases beyond the interest rate in effect, your monthly payments will be higher.

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

Cosigner Requirement
- A cosigner is required for this student loan if you are not able to meet our underwriting criteria on your own. If you meet our underwriting criteria, you will not need to have a cosigner for your loan. If you apply with a cosigner your loan may be less expensive.

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Your loan is subject to all of the terms and conditions of your credit agreement. Please read your credit agreement carefully, it may include terms under which the interest rate on the loan may change. To obtain a copy of your credit agreement, please continue with this application or contact Iowa Student Loan Liquidity Corporation at (800) 542-6005.

D. Consequences of Loan Default
There are serious consequences if you default on this loan. For example, under normal circumstances, student loans are not dischargeable in bankruptcy. In order to discharge a loan in bankruptcy, the borrower must prove undue hardship in an adversary proceeding before the bankruptcy court.
Additional consequences of default on this loan include:
- Lender may report the late payment history to credit reporting agencies, which will adversely affect your credit rating and ability to get more credit
- Interest will continue to accrue on the outstanding principal balance
- Lender may take legal action
- Borrower may become ineligible for further loans from the lender